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Wednesday
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Daily Report
Central Eurasia

FBIS-SOV-96-153 *7 August 1996*

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CIS: ITAR-TASS Carries Press Review for 7 Aug

LD0708061996 Moscow ITAR-TASS in English 0613 GMT 7 Aug 96

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW, August 7 (Itar-Tass) — Street fighting in Groznyy is the focus of Wednesday issues of Russian newspapers.

"Militants Devote Storm to Inauguration of President" reads the headline of Izvestiya's notes of its Groznyy-based correspondent.

The rebel assault of Groznyy's key sites had been pre-planned and related to activation of federal troops in southern Chechnya and the August 9 inauguration of Boris Yeltsin, one of Chechen field commanders, Rezvan, told Izvestiya. The newspaper cites views of the Russian military, who call the rebel storm of Groznyy an agony.

Russian Defense Minister Igor Rodionov calls for returning "dignity and respect to people with shoulder-straps" in his interview with the military daily Krasnaya Zvezda.

Commenting on the situation in Chechnya, Rodionov said "power methods" cannot be abandoned, but the job should be handled by Interior Ministry troops. Rodionov thinks the army should stand by to assist them.

The minister assured that Russian troops would be withdrawn from Chechnya as scheduled, except for units to be permanently stationed in Chechnya.

Rodionov said he sees the size of the Russian army as adequate for the present day. At the same time he admitted that Russia cannot have maintain the 1.5-million army.

Izvestiya's political reviewer muses on the situation "before Yeltsin's second term in the Kremlin". The break-up of the Soviet Union does not mean a comeback of the Russian empire. The defunct Soviet Union is a farewell to the empire and the imperial messiah mission. The analyst says Russia's future depends on whether the farewell is really bid.

Izvestiya's article "Career of Intelligence Director" is a look at life of Vyacheslav Trubnikov, the director of the Russian Foreign Intelligence Service.

Rossiyskaya Gazeta lays out to its readership the government's decree on attraction of loans from Turkey, Canada and Japan's Export-Import Bank to be invested in conversion projects of the Chelyabinsk regional defense industry and in modernisation of baby food production at the Khabarovsk dairy factory.

Moscow will celebrate its 850th anniversary in September of 1997.

The Rabochaya Tribuna newspaper publishes an interview with Igor Ponomarev, the director of the department for organisation of the celebrations.

What will Moscow look like in the third millennium, Rabochaya Tribuna asks. Aleksandr Kuzmin, a senior official of Moscow's Architecture and City Planning Committee answers the question.

CIS: Central Asian Battalion To Participate in NATO Exercises

LD0708094496 Moscow INTERFAX in English 0830 GMT 7 Aug 96

[FBIS Transcribed Text] ALMATY, Aug 7 (Interfax) — A platoon of the Central Asian peacekeeping battalion will take part in NATO military exercises in North Carolina, the United States, within the framework of the Partnership for Peace program, the Kazakh Defense Ministry's press service told Interfax Wednesday.

Kazakhstan, Uzbekistan and Kyrgyzstan will each be represented by one unit, the press service said.

The Central Asian battalion was created by the three republics in 1996 under the aegis of the United Nations. It has not been formed completely so far. It is to compromise 500 men and will be located in the south of Kazakhstan on the border with Uzbekistan.

The three states' leaders have stated on many occasions that the battalion is being set up to participate in the global peacekeeping process rather than tackle regional problems.

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Russia: Moscow Condemns U.S. Law Banning Oil Deals With Iran, Libya

LD0608131296 Moscow INTERFAX in English 1252 GMT 6 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 6 (Interfax) — The Russian Foreign Ministry assessed the law providing for introduction of economic sanctions against foreign firms cooperating with Iran and Libya in the sphere of oil and gas production and signed by American President Bill Clinton on Monday as a unilateral action contradicting international law.

Speaking at a briefing in Moscow Tuesday, Foreign Ministry spokesman Vladimir Andreyev said that "this bill of an extraterritorial nature contradicts international law and is unacceptable."

This bill, he said, "will not facilitate stabilization in the Middle East and will not help in the struggle against terrorism."

The program of struggle against terrorism was fixed in the resolution of the G-7 summit in Lyon and was finalized at the recent meeting of G-7 foreign and security ministers in Paris.

"We need coordinated practical measures to improve wide anti-terrorist cooperation based on international law, but not unilateral steps contradicting the law," Andreyev said.

Russia: Radio Views 'Negative Impact' of D'Amato Bill

NC0608190996 Moscow Voice of Russia World Service in Persian 1500 GMT 6 Aug 96

[Commentary by Vladimir Pronin]

[FBIS Translated Text] Dear listeners. The fifth of August 1996 will go down as a black day in the history of Iran-U.S. relations. On this day, U.S. President Bill Clinton signed a law that envisions stringent sanctions against those non-American companies that invest more than $40 million annually in Iranian and Libyan oil and gas extraction complexes.

The political impact of this law is clearly known, and was reaffirmed when the bill was signed in the presence of two diplomats who were former hostages at the American Embassy in Tehran in 1979 and family members of the passengers on Pan-American's airplane that exploded over Scotland in 1988.

Let us disregard the political implications for a while and speak realistically about the extent of the U.S.' latest act of hostility toward Iran's oil industries. Despite the optimistic statement by the Iranian Foreign Minister Dr. 'Ali Akbar Velayati, at the meeting of the international session of industrial leaders in Geneva in June this year, about Iran not having any problems seeking investors for its oil industries, the majority of European diplomats and petroleum experts in Tehran believe that the D'Amato bill will have a negative impact.

After all, this law deals a blow to the core of Tehran's open door policy for boosting foreign investment, which is aimed at supporting the national oil and gas industry, which annually yields an income of $16 billion. Currently, Iran has called for international tenders for the extraction from 11 massive deposits of oil and gas, with a total value of $7 billion. Thus, Iran is hopeful that it will retain third place among the oil-exporting countries of the world for the next 10 years.

Keeping in view the fact that Iran is sitting on nearly 92 billion barrels of oil per day, and its known reserves of gas are second in the world, foreign investors have the right to expect swift returns on their investment. There is another aspect to the issue, which to a great extent explains Iran's eagerness to elicit foreign investment. According to Iran's own assessment, its foreign debts amount to an average of $43 billion. As you know, the country faced enormous difficulties with their repayment schedule, and each time it seeks ways to postpone the repayment dates.

So far, Iran has encountered an understanding attitude from its Western creditors. If foreign companies were to halt their operations in Iran for fear of American sanctions, it is possible that the situation may change. Ostensibly, this possibility is not being ruled out in Tehran. As for the extraction of oil reserves without attracting foreign investment, Iran is (?itself) seeking to extract its own deposits and make use of domestic resources. Despite this, we think that foreign companies including the French company Total, which has signed a deal for $600 million for the extraction of oil and gas reserves in the free economic areas of Iran, will not be intimidated by U.S. sanctions.

The unified and intense reaction of the European Union [EU] countries, the main trading partner of the Islamic Republic of Iran, toward the law known as the D'Amato bill are evidence of this fact.

Russia: Commentator Views D'Amato Legislation, Russian Response

LD0608142196 Moscow Voice of Russia World Service in English 1120 GMT 6 Aug 96

[FBIS Transcribed Text] Europe and other countries in the world have described the United States' approach to combating terrorism as faulty. They were reacting to the signing on Monday by U.S. President Bill Clinton

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of a law imposing sanctions against foreign companies investing in the oil and gas industries in Iran and Libya. Our political analyst Yuriy Solton looks at the latest U.S. terrorist psychosis, and this is what he writes:

The latest law signed by Mr. Clinton, like a similar one against Cuba, is incompatible with the principle of international economic cooperation. The United States is trying to arrogate to itself the right to dictate to other countries concerning with which nation, and to what level, they are allowed to maintain economic ties. Such a nauseating diktat is unacceptable. Leaders of the European Union, the members of which receive one-fifth of their oil needs from Iran and Libya, have already said they will not sit idly by and watch the United States ride roughshod over their national economic interests. They have vowed that if the new U.S. D'Amato law is used against European companies and nations, commerce sanctions will be imposed against American companies.

Moscow has issued a similar threat. Russia has good economic ties with Iran, Libya, and Cuba and is working to boost such ties and is not prepared to downgrade them to pander to United States' demands. The United States is trying to justify its domestic law with extraterritorial application with a need to combat international terrorism, a phenomenon it claims is being aided and abetted by the countries it seeks to punish. But in doing this, the United States is resorting to economic terrorism.

Last week, the G-7 plus Russia coordinated measures in Paris to combat terrorism and U.S. envoys were warned at the meeting against taking a hasty and unilateral decision to punish countries which the United States suspects of supporting terrorism. However, it is now clear that the United States failed to draw the correct conclusion. The bill toughening sanctions against Iran and Libya has become (?law) [break in transmission]. And threats are emanating from Washington to attack those countries if the United States is convinced that they are involved in the crash of the U.S. Trans World Airlines passenger plane which exploded over the Atlantic and the parcel explosion at the U.S. military housing complex in Saudi Arabia. Such planned actions are not just dangerous but are capable of seriously damaging international efforts to combat terrorism.

Russia: 'Strong-Arm' U.S. Move Against Karadzic Seen Improbable

MM0608152896 Moscow IZVESTIYA in Russian 7 Aug 96 p 3

[Article by Vladimir Skosyrev and Maksim Yusin: "Karadzic Can Sleep Peacefully. The United States Gives Assurances That the Plan To Capture Him Is the Fruit of British Journalists' Imagination"]

[FBIS Translated Text] The United States has reacted rapidly and resolutely to the sensational story in the British newspaper THE SUNDAY TIMES citing a plan allegedly formulated by the Pentagon to capture Bosnian Serb leader Radovan Karadzic. Official White House Spokesman Mike McCurry described the SUNDAY TIMES information as "completely fabricated."

If the newspaper is to be believed, the operation to capture Karadzic was to be carried out by the elite "Delta" unit of the U.S. Army and several helicopters. On paper everything looks extremely efficient. Flying at low altitude to avoid radar detection, the gunships hover over the building in the town of Pale where Karadzic is assumed to be. Lowered by rope, the American commandos neutralize the guards, burst into the building, and take the Bosnian Serb president to a NATO troop base in Bosnia.

Even if you accept that such a plan indeed existed, its implementation at this time is scarcely possible. One of the reasons is the determined objections of the West Europeans, who fear that an attempt to capture Karadzic would provoke the Serbs to resume hostilities. And the Americans themselves realize very well that such a step could destroy the peace agreements reached with such difficulty and bring Bosnia to the brink of a new war.

U.S. Defense Secretary William Perry also took a very cautious position. "Many of those proposing that Karadzic be captured cannot imagine the consequences of such an operation and the extent to which it could complicate the peacekeepers' mission in Bosnia," the Pentagon boss stated in a radio interview.

So long as the cease-fire in Bosnia is observed and the Serbs fulfill the terms of the Dayton agreements the Americans will hardly risk a strong-arm action against Karadzic. It is a possibility if the former president of the Bosnian Serbs does not keep his promise to withdraw from politics and his activity starts causing serious harm to the peace process.

Russia: Deputy Foreign Minister, U.S. Official View Mideast Peace

LD0608160996 Moscow INTERFAX in English 1551 GMT 6 Aug 96

[FBIS Transcribed Text] Moscow, Aug 6 (Interfax) — Deputy Russian Foreign Minister Aleksandr Posuvalyuk and his U.S. colleague P. Pelletro have spoken in favor of the quickest resumption of active talks on all aspects of the Middle East settlement. The two officials held consultations on the issue in Moscow Tuesday.

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According to a Russian Foreign Ministry press release sent to Interfax, "the long pause on the road to peace and neighborly relations in the region is fraught with serious risks and dangerous relapses of extremism and violence.

"To resume fruitful Arab-Israeli talks, it is most important today not to create additional difficulties," reads the press release.

The sides agreed that Israel and Arab countries must abide by the available agreements sealed with the signatures of co-sponsors of the Middle East settlement.

Russia: PLO's Abu-Mazin Sees New Mideast Role for Russia

MM0608113596 Moscow TRUD in Russian 6 Aug 96 p 4

[Interview with Abu-Mazin, member of PLO Executive Committee, by Yuriy Krasnopolskiy; in Ramallah, "recently": "'Then We Will Have a Different Map.' Conversation with Yasir 'Arafat's Possible Successor"]

[FBIS Translated Excerpt] Tel Aviv — Ramallah is one of the major centers of the Palestinian autonomous entity in Israel. The headquarters of Abu-Mazin, the second most influential person in the PLO and Yasir 'Arafat's possible successor, is located in this city not far from Jerusalem. Preferring not to hold official posts in the Palestinian autonomous entity, he is a member of the PLO Executive Committee and leader of the delegation at the talks with Israel.

A group of journalists recently visited Ramallah, where they had a two-hour conversation with Abu-Mazin. TRUD's correspondent also participated in that meeting. [passage omitted]

[Krasnopolskiy] What, in your view, might be Russia's role in establishing peace in the Near East?

[Abu-Mazin] For a number of reasons Russia is not making full use today of its full political potential in our region. Recently, however, I met with Yevgeniy Primakov and carried away from that meeting the impression that Russia intends to sharply increase its influence here. At the same time this will be a peacekeeping mission of a qualitatively new nature.

[Krasnopolskiy] What difference do you see?

[Abu-Mazin] The fact that Russia today does not proceed from support of just one side and condemnation only of the other. It will seek to reconcile and bring together the two sides, mindful of the interests of each of them.

[Krasnopolskiy] Is it true that, as certain newspapers write, the Palestinian leaders are seeking contacts with wealthy Jews resident in Russia, reckoning on somehow influencing Israel's position through them?

[Abu-Mazin] We will be grateful for the efforts of any individuals or organizations aimed at establishing peace. But we are not displaying such initiatives, and we have no contacts with Jews in Russia.

[Krasnopolskiy] You speak of peace, and yet there is a map hanging on your wall which designates all of Israel's territory as Palestine's territory. How does one thing accord with the other?

[Abu-Mazin] When we finally reach agreement on the division of the territory and on the borders, we will have different maps....

[Krasnopolskiy] What is your attitude to the reports in certain Western newspapers that Russia is allegedly secretly supplying Palestine with small arms?

[Abu-Mazin] That is utter nonsense. Our services for the maintenance of order do not have a single rifle whose plant number is not known to the Israeli side.

[Krasnopolskiy] Do you reckon that it will be possible in the future to achieve a breakthrough and make real progress in the peace talks?

[Abu-Mazin] No. The dialogue will be long and hard. But I believe that we will achieve our goal in the end: mutually acceptable, peaceful neighborliness between Israelis and Palestinians on this land.

Russia: Prospects for Belarus Integration Viewed

MM0608121096 Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 pp 9, 10

[Report by Anna Kozyreva: "Many Problems Will Have To Be Solved Together. Problems of Russian-Belarusian Integration Discussed at Federation Council" — from the 'Economic Union' section]

[FBIS Translated Text] Scholars, economists, senators, and Russian State Duma deputies as well Republic of Belarus Supreme Soviet members took part in a "roundtable" session at the Federation Council on the subject of "Russia and Belarus: Routes to and Future Prospects for Economic Integration." The Belarusian delegation was led by Vasil Shlyndikaw, chairman of the Supreme Soviet Commission on Economic Policy and Reforms.

Participants in the session discussed ways of implementing the Treaty on the Formation of the Community of

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Russia and Belarus, signed 2 April 1996, and made specific recommendations, especially in the area of legislation, which both the Russian Federal Assembly and the Belarusian Supreme Soviet could put into effect.

As Oleg Bogomolov, chairman of the Russian Federation Council CIS Affairs Committee, observed when opening the "roundtable" session, "we will have to solve many problems together. For example, the creation of a common market, the equalizing of the pace for implementing reforms, the standardization of the regulatory and legal base, the coordination of credit and financial and currency policy, and the creation of unitary social norms and standards."

The speakers noted that the integration of our two countries is meeting with considerable resistance from several external forces that do not want a strong geopolitical competitor on the continent of Europe. For example, several of the West's mass media have in the speakers' words "simply gone wild" since the agreement was signed: Day after day you get news about human rights violations in Belarus, but there is no objective analysis of the situation. Delegates at the session also raised the question of NATO's eastward expansion, emphasizing that in these circumstances military cooperation between the two republics becomes particularly relevant.

Particular attention was paid to political and economic questions and to the problem of bringing our countries' laws in line with one another.

Vasil Shlyndikaw noted in his report that in advancing the integration processes it is essential to proceed from principles of preserving each state's sovereignty, equality for each side, reliance on one's own potential, ruling out dependency, mutual advantage and assistance, and the total unacceptability of the ideologization of the integration processes.

The representatives of Belarus emphasized in a number of speeches that they were interested first and foremost in cooperation in high- tech fields, the construction industry, and the production of heavy freight vehicles.

The first steps, which have already been taken, are impressive. As one of the speakers remarked: "We can already work on equal terms in our states, we can exchange our houses and apartments, and move to Belarus or Russia and obtain a residence permit. Our countries are essentially two sovereign states where their citizens can no longer be foreigners."

However, initial experience of the increased cooperation has shown that not everything is going smoothly. For example, the single customs tariff has proved less advantageous to one side than to the other. The 20-percent value-added tax has affected Belarusian producers badly. Many have not even been saved by the more advantageous customs tariffs and duties.

As before, the construction of so-called parallel production facilities is being carried out. For example, a decision has been adopted in Russia to resume construction of and to commission a polyester complex in Blagoveshchensk, while it is planned to commission a chemical fiber production facility in Kursk.

You see the mighty Khimvolokno production association is in Belarus. Today, only 65 percent of its capacity is used. So why after all should Russia invest money in the construction of new plants when it can obtain a product from Belarus?

Those present at the "roundtable" pointed out that no integration processes were going to get off the ground without the unification of monetary and credit policy and the creation of a single currency.

The first attempt to create a single currency had been unsuccessful, although a treaty on the unification of the monetary systems pertaining to it was signed in 1994. At that time reactions to the treaty were negative and people immediately began to say that the National Bank of Belarus would essentially become a subsidiary of a Russian bank as it was envisaged that a single emission center would be established. Today a second attempt is being made to resolve this problem.

Andrey Koval, chief of a general [svodnyy] section of the Russian Economy Ministry Department for Economic Cooperation with CIS States, devoted his speech to problems of synchronizing the stages, the schedule, and depth of the economic reforms being implemented in our states during 1996 and 1997.

He analyzed three documents: the Russian program "The Reforms and the Development of the Russian Economy 1995-1997"; and two Belarusian programs — the program of urgent measures to overcome the economic crisis, and the Belarusian program of socioeconomic development through 2000. The analysis demonstrated the significant disparity between the economic reforms being implemented in Belarus and those in Russia. Whereas in a number of areas in these programs Belarus is about two years behind, it is considerably further behind in the key areas. In a number of cases the reason for this situation lies in the fact that emphasis has been placed in the Russian Federation on the destatization and liberalization of the management system, while in Belarus it has been placed on the leading role of the state. This is why it is essential to somehow bring the approaches to the solution of these problems closer together. An attempt to do this has already been

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made at a meeting of working groups of experts from our countries.

The participants in the "roundtable" also prepared recommendations. They included proposals to create a permanent scientific expert council for questions of integration under the Community of Russia and Belarus Parliamentary Assembly and to establish closer cooperation with regard to information exchange between the Russian Federal Assembly and the Belarusian Supreme Soviet; also, both countries' parliaments are to carry out a comparative expert examination of their laws in order to work more successfully toward bringing the Community's regulatory and legal bases in line with one another, and to hear reports on the progress of integration from the governments' leaders at parliamentary sessions. It was also decided to produce a joint plan of parliamentary measures for the fourth quarter of 1996 and for 1997.

Russia: Afghan Envoy 'Invited' to Foreign Ministry Over Tajik Issue

LD0608162696 Moscow INTERFAX in English 1621 GMT 6 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 6 (Interfax) — The Afghan ambassador in Moscow was invited to the Russian Foreign Ministry Tuesday where he received a note "regarding the actions of the unreconcilable Tajik opposition near the Afghan-Tajik border."

The document, in particular, says that "the unreconcilable Tajik armed opposition staying on Afghanistan's territory has begun preparing for widescale combat operations on Tajik territory with the support of several Afghan field commanders, local authorities of Afghanistan's Badakhshan region and certain circles in Kabul."

Large detachments of fighters started moving from the regions of their concentration in Kufab Canyon. They are several kilometers from the border, the statement says.

"Any attempts of the armed detachments of the opposition Movement of Tajikistan's Islamic Revival to break through the state border into Tajikistan will be resolutely prevented," the statement says.

The Russian Foreign Ministry voiced a proposal to hold a meeting of representatives of Russia, Tajikistan and Afghanistan "in order to work out urgent measures of confidence and security on the Tajik-Afghan border."

Russia: Moscow Regrets Lack of Progress in Lithuanian Border Talks

LD0608142096 Moscow INTERFAX in English 1315 GMT 6 Jul 96

[FBIS Transcribed Text] MOSCOW, Aug 6 (Interfax)1419 GMT - Despite efforts, the regular round of Russian-Lithuanian border talks in Vilnius on July 29 to 31 failed to agree on some delimitation issues, the chief spokesman for the Russian Foreign Ministry, Vladimir Andreyev, told a briefing in Moscow Tuesday.

The remaining issues concern the demarcation of borders on Lake Vystina, the delta of the Nemunas River and territorial waters, he said.

"The lack of consensus may basically be explained by saying that Lithuania virtually dropped the earlier agreed-upon principle of using the former administrative border between Russia and Lithuania as the basis for delimitation," the Russian delegation said.

"This applies both to Lake Vystina and the Nemunas delta," Andreyev said. "As for the territorial waters, we propose being guided by the International Convention of Maritime Law of 1982, which is also being rejected by the Lithuanian government.

"Russia could agree to some deviations from the existing border on some of its sections, provided that there will be adequate territorial compensation," he said. "However, no realistic proposals to this effect have been offered." At the same time, he noted that the talks were constructive and businesslike.

Russia: Moscow Hopes Concerns Will Be Noted on NATO Expansion

LD0608135796 Moscow ITAR-TASS in English 1333 GMT 6 Aug 96

[By Aleksandr Valiyev]

[FBIS Transcribed Text] MOSCOW, August 6 (Itar-Tass) — Russia hopes that its concern about possible NATO's expansion will be taken into account by its European partners when drafting a structure of Pan-European security, Russian Foreign Ministry spokesman Vladimir Andreyev told a briefing here on Tuesday.

"We do not want to believe in such a development of events when our partners assume the North Atlantic Alliance as the basis for a new system of European security," the Russian diplomat said.

Important decisions on this issue are to be taken at a summit of member countries of the Organisation for Security and Cooperation in Europe, which will be held in Lisbon next December, Andreyev noted.

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Moscow, on its part, makes a real contribution to drafting a scheme of a security system and puts forth appropriate ideas in the framework of the OSCE [Organization for Security and Cooperation in Europe]. "In our opinion, they reflect all security aspects," Andreyev continued.

"It is now only being discussed to what extent these ideas are suitable for other participants. We hope that most of these ideas, put forth by us, will be adopted."

He noted that, in accordance with Russian ideas, the final document to be adopted in Lisbon next December concerning a universal system of European security should provide for drafting mechanisms for better "coupling" of multilateral European and Euro-Atlantic organisations, operating in the security sphere.

Another idea is an adequate account for the economic element of security and for sub-regional factors. Russia puts forth an idea that a special role within a future universal security system should belong to OSCE as a centerpiece of a kind, Andreyev stressed.

The drafting of a European security model should become an instrument to prevent an emergence of new dividing lines on the continent, the Russian diplomat underlined. "This is a direct link with our viewpoint: Is it worthwhile for NATO structures to push to the East?" he asked.

The Russian Foreign Ministry also believes that the principle of human rights observance should be included in the future European security system.

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Political Issues

Russia: Yeltsin, Lebed Discuss Normalization of Chechnya

LD0608133896 Moscow INTERFAX in English 1154 GMT 6 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 6 (Interfax) — Secretary of Russia's Security Council Aleksandr Lebed met with President Boris Yeltsin in the Kremlin on Tuesday to discuss ways to normalize the situation in Chechnya in the wake of armed provocations launched by separatists.

That was one of the problems the two men discussed, the president's press secretary Sergey Medvedev told Interfax.

In addition, they considered ways to deliver cargo to areas in the Far North and to other remote regions, Medvedev said. In Lebed's view, having turned into an emergency, this problem poses a great threat to normal life in those areas and to the country's economic security as a whole.

Russia: Yeltsin To Name Candidate for Prime Minister 9 Aug

LD0608161696 Moscow ITAR-TASS in English 1602 GMT 6 Aug 96

[By Ivan Novikov]

[FBIS Transcribed Text] MOSCOW, August 6 (Itar-Tass) — President Boris Yeltsin will name his candidate for the prime ministerial post in the government directly after the inauguration on August 9, according to first deputy speaker of the State Duma lower house of parliament Aleksandr Shokhin.

In keeping with the Constitution, the President-elect may not name his candidate before being sworn in. "In other words, Boris Yeltsin will send a letter with the name of his nominee to the State Duma not earlier than after 13:00 [0900 GMT] on August 9," Shokhin explained.

He added that "this understanding was reached via inofficial channels." The lower house leadership expressed readiness to call an emergency plenary meeting of the State Duma for August 10, "the more so since the (President's) candidate for the post of the government chairman was practically announced by Boris Yeltsin after the results of the presidential election were officially summed up and everybody knows that it is Viktor Chernomyrdin.

"All factions, deputy groups and house committees had a month to make up their minds with respect to that nomination," Aleksandr Shokhin noted.

A meeting of the Duma board was originally expected to precede the August 10 emergency plenary meeting. The Duma board meeting was scheduled for the morning of the Saturday closest to the date of the inauguration, but the house leadership decided to hold another preliminary meeting of the Duma board this coming Thursday, Shokhin said.

Before the State Duma meets for its plenary session, every faction, deputy group and house committee will hold at least an hour-long discussion of the candidature in order to exchange views, form positions and assign speakers to address the plenary session, Shokhin said.

Russia: Agrarians Give Yeltsin 100 Days To Meet Peasants' Demands

LD0608181096 Moscow INTERFAX in English 1757 GMT 6 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 6 (Interfax) — Mikhail Lapshin, leader of the Agrarian Party of Russia (APR), predicted a peasant offensive this fall. In response to an Interfax question in a Moscow interview Tuesday he said that the peasants "will give the Russian president exactly 100 days following his inauguration on August 9 to meet their demands about adequate support for the country's agriculture. If he does not, they will stage a mass protest action on November 17, the Day of Agriculture Workers."

Over the past four years the peasants have expressed their discontent with what the Russian government and president are doing in various forms, from picketing the White House to an All-Russian Peasant Assembly, and every time they heard promises of increased support for the agriculture which is on the verge of collapse," Lapshin said.

The rural residents expressed their attitude towards "this kind of reform" in the presidential elections when 23 million of them made 75 percent of the votes obtained by the popular patriotic candidate Gennadiy Zyuganov, he said.

"The villagers showed common sense and clear memory and the peasantry proved to be the only social stratum which did not take the bait and voted against the continuing disintegration of the country's economy, but the regime has remained deaf," Lapshin said. He said that the government and president would find it hard to meet the demands of the striking miners who are, however, in better shape than the peasants.

"The Russian peasants and their leaders have not become desperate enough to stop the harvesting or milking" but this fall "they will speak in full voice about their troubles and stifled rights."

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Russia: Yeltsin Seen Doing Nothing To Fulfill Campaign Pledges

MK0708111496 Moscow NEZAVISIMAYA GAZETA in Russian 7 Aug 96 pp 1-2

[Report by Natalya Konstantinova under the "Viewpoint" rubric: "A Dead Season. If Elections Were Held Tomorrow, Boris Yeltsin Would Lose Them"]

[FBIS Translated Text] There is nothing unnatural in the fact that after a really exhaustive election campaign the newly elected president has taken a brief vacation. What is unnatural or completely at odds with the course of post-electoral political life is the fact that virtually all inhabitants of the Kremlin, the White House, and our parliamentarians — albeit the latter on legitimate grounds — have succumbed to momentary (weekly, monthly) weakness.

From time to time the minds of ordinary citizens have been stirred by new appointments, even if not to government posts, and some hints have been dropped by the troops of experts, analysts, and journalists, who are also a little tired from their own forecasts made during the election campaign, but do not give up.

Such sparks as the appointments of Aleksandr Lebed to the post of Security Council secretary — or Anatoliy Chubays, to head the presidential staff — as well as the tearing to pieces of suspected corrupt officials and terrorist acts in public transport have nearly ceased to be a subject for discussion.

What is happening in the state apart from the continuing war in Chechnya and the hungry swoons of Maritime Kray miners? This question is difficult to answer because at present everyone is active except the legitimately elected authorities.

This gives rise to sad reflections and makes one mull over what was actually the gist of the elections whose momentousness was hammered home to us for many months in a row.

The first conclusion is as follows. The victory of democracy over communism (which was not unconditional) does not necessarily mean the death of the latter, but, on the contrary, in light of the current authorities' absolute helplessness and inaction, it gives the Communists yet another chance to attack the democrats and to denounce the existing authorities. It all could have acquired specific outlines, but, strange as it might be, the opposition, which won over 40 percent of the vote in the presidential elections, has disappeared from the field of vision of Boris Yeltsin and Viktor Chernomyrdin as the country's current top personnel managers.

This is not only politically unfair, but also disrespectful with regard to millions of voters who cast their votes for Gennadiy Zyuganov. This does not mean at all that two or three Communist nominees should be given ministerial portfolios, but pretending that they lived, but have suddenly passed away recently, would be strange to say the least.

The second conclusion, which stems directly from the first one: If a third (confirming) round of elections were called a month after the second round, in all likelihood it is the Communist leader who would win it. The month that should have been a breakthrough, sparkling with political activism so as to immediately fulfill the pledges that directly depend on the president passed much duller than a regular month of the year, having failed to live up to the expectations of at least some voters.

Even Boris Yeltsin's first televised statement after his electoral victory proved to be colorless and formal, whereas in his message to the people he could have appeared as we had repeatedly seen him in his latest campaign tours of the regions — confident, denouncing, instilling hope.

If we recall the focal points of Boris Yeltsin's program as presidential candidate and add to them Lebed's "fairness and order," the following measures appear to have been envisioned.

An unflinching course toward furthering economic reform. The struggle against inflation, unemployment, tax cuts, the timely payment of wages and pensions, the drafting of new laws on banks and securities, and tight control over the transfer of budget resources to the regions.

What has been done? In the period between the two rounds Aleksandr Livshits, presidential economic adviser, reported every week how funds were being "channeled" to the regions. Within a mere two or three weeks all Russian regions have received or are said to have received them.

Why is it that except for Kaluga Oblast, where some workers have been paid only for May and the average monthly wage in cities is 200,000 rubles, and Maritime Kray, which is far away, nothing has been heard now about other regions? As soon as the elections were over, the reports also ended. Due to the absence of a weighty information pretext, so to speak.

Boris Yeltsin and Aleksandr Lebed announced a struggle against corruption and organized crime, envisioning some special measures to be taken in the process. What kind of measures these are and how they have manifested themselves is still unclear, but it seems that nothing has changed on the criminal front. Or could we

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have been simply misinformed about the results of this work?

Further integration with the CIS countries was announced. The agreements signed in the spring of 1996 have essentially remained only on paper. The impression is that they were designed by his CIS counterparts precisely as just another way of giving Boris Yeltsin their backing in the elections. What the specific manifestations of this "further integration" should be is not clear either.

It was also promised to carry out military reform and to provide the Armed Forces with appropriate funding. But this is the prerogative of the state, not the Defense Ministry, which has finally acquired a leader. After a short period of time Igor Rodionov, the new minister, like Pavel Grachev before him, will be accused of neglecting day-to-day problems of the military. But what could he do with an empty purse? Until servicemen get their salaries and holiday pay one may consider this promise by the authorities to be also unfulfilled.

Let's not be idealistic and let's show understanding for the fact that even the president cannot work a miracle overnight. But the outright procrastination astonishes by its cynicism and undermines everything Russian voters could trust during the election campaign. Will the president be able to run a country and people who have been simply deceived and, as has repeatedly happened in Russia, were lured with a sweet carrot into a bright future, but were not given the money to pay for the journey.

Russia: Aide Says Yeltsin To Fully Implement Social Pledges

LD0708083896 Moscow INTERFAX in English 0753 GMT 7 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 7 (Interfax) — Russian President Boris Yeltsin will fully implement his social pledges, presidential economic adviser Aleksandr Livshits told Interfax in an exclusive interview Wednesday.

"There can be no talk about revising or freezing (these pledges)," he said.

He denied the reports by some Russian and foreign media which said that the federal budget was too weak to back the pledges given by the president and his team during the election campaign. "All of these pledges were carefully calculated in advance and cannot be viewed as the sword of Damocles suddenly swung at the budget," he said.

There is only one thing that can be accepted in all of these rumors circulated on the eve of the inauguration ceremony: "the Economic Stabilization Headquarters, of which I am a member, is busy strengthening the revenue part of the federal budget," said Livshits. He also said that this problem is likely to be solved by cutting down various budget privileges.

Some of these privileges, he continued, are based on the laws created by the State Duma. The total cost of such privileges, according to the Russian government's sources, is some 100 trillion rubles, he said.

The second group of tax privileges is based on presidential and government decisions taken a long time ago. These decisions relate to enterprises and, if cancelled, may add 20 trillion rubles to the budget, he said.

"However, despite the weight of the possible 12 trillion ruble addition to the budget, no attempts have been or will be made to depart from the president's social pledges," said Livshits.

Russia: Chernomyrdin: 1997 Budget Must Be Submitted to Duma by 31 Aug

LD0608163196 Moscow ITAR-TASS in English 1625 GMT 6 Aug 96

[By Nataliya Kosareva]

[FBIS Transcribed Text] MOSCOW, August 6 (Itar-Tass) — Russian Prime Minister Viktor Chernomyrdin told the Cabinet today that "the bill on the budget for 1997 must be submitted for consideration of the State Duma before August 31."

The Cabinet met to discuss aspects of the social and economic development of the Russian Federation, the execution of the federal budget in the first six months of 1996, and prospects until the end of 1997.

Russia: Chernomyrdin Promises 'Leaner,' 'More Flexible' Cabinet

MK0708130696 Moscow SEGODNYA in Russian 7 Aug 96 p 1

[Report by Olga Romanova: "The Cabinet of Ministers: Between a Stable Financial System and a Dead Economy"]

[FBIS Translated Text] The recent government session, the last before the onset of the irreversible personnel changes promised by the president for immediately after the inauguration and the appointment of the head of the cabinet by the State Duma, upset the working schedules of both the session participants themselves and observers from a number of mass media outlets. Discussion of the three main questions — the results of "the country's socioeconomic development in the first

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half of the current year and tasks until the end of the year," draft laws prohibiting or restraining the activity of foreign investors in some sectors and industries, and changes in the medical insurance law — took up far more time than was planned. Moreover, a considerable part of the cabinet was certainly aware that the "tasks until the end of the year" would probably be addressed by others. True, the retirees will probably be employed to combat foreign investors.

As concerns the economic situation in the first half of the year, it was assessed as "conflicting." On one hand, inflation has been somewhat suppressed; the foreign trade balance remains "steadily positive"; and citizens' real incomes "have stabilized." On the other hand, the volumes of production and "especially of investments" continue to decline; inter-enterprise debt is growing; and the situation with tax collection and budget execution has reached a critical point. But then, according to the Economy Ministry, the crisis is "past its most acute phase." Even so, GDP in the first half of the year has fallen by 5 percent compared with the same period last year. The tax collection target in the first half was met by 58.9 percent. The shortfall reached 60 trillion rubles. Moreover, the Finance Ministry has to redeem a 10 trillion ruble budget debt carried over from the past year.

First Deputy Premier Vladimir Kadannikov lashed out at natural monopolists: "Either we shall resolve the problem of monopolists or, in the context of low inflation, they will ruin our industry." Regional authorities, who arbitrarily dictate tariffs, were cited as the main culprits. An uncompromising struggle was declared against this trend, which is especially relevant in advance of the gubernatorial elections. Vladimir Kadannikov did not confine himself to the word "conflicting" with respect to the current economic situation, preferring the epithet "emergency."

The first deputy premier admitted that the government had to "deviate from its credit and monetary policy," which earlier in the year was described as "tough." To overcome the present situation, an economic stabilization headquarters was set up, its main task being to return to the budget the earlier promised subsidies, breaks, and various privileges.

One outstanding idea among those aired at the recent cabinet session is to adjust the state financial policy: first, concerning traditional incantations about T-bill yields, which should fall "conditional on a search for alternative sources" of replenishing the budget. Second, to step up investment activity in "growth areas," painfully familiar from the early period of academic economic thought, better known as Abalkanization. [reference to economist Leonid Abalkin]

The government is preparing "proposals" (it is not known for whom, however) on introducing procedures for an obligatory investment of privatization receipts. Incidentally, foreign investors were once again reminded of their own, foreign, experience: According to the memo prepared for the session, foreign experience (of unidentified countries) points to the need to limit access by foreign monies into defense-related spheres, the extractive industry, aviation, river and sea transport, the mass media, banking and insurance, and also in international and domestic mail and telecommunication lines, power generation and transmission, and production and distribution of alcoholic beverages and tobacco products. It was stated that the draft law "On the List of Branches, Production Facilities, and Territories Where Foreign Investor Activity Is Prohibited or Limited" is called upon to ensure, along with economic independence, the "protection of people's morality, health, and life."

Incidentally, about the people. Viktor Chernomyrdin, addressing the session after a meeting with Boris Yeltsin that discussed a final cabinet structure, stressed the need for continuity between the old and new government lineup. The prime minister confirmed that the cabinet structure will "undergo changes; something will be reorganized into larger units, and a number of committees will be abolished." After the planned modifications are carried out, the cabinet will become "leaner and more flexible."

Russia: Chernomyrdin Says New Government To Maintain Continuity

LD0608163596 Moscow INTERFAX in English 1617 GMT 6 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 6 (Interfax) — Continuity of policy will be maintained in the formation of a new Russian government, Prime Minister Viktor Chernomyrdin told a government meeting in Moscow Tuesday.

The structure of the new government was discussed earlier in the day when he had a meeting with President Boris Yeltsin, he said.

The government structure will be changed, Chernomyrdin said.

Certain agencies will be merged and numerous state committees transformed to enable them to cope with long-term problems, he said.

Following the changes, the government structure will be more slender and mobile, Chernomyrdin said.

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Russia: Zyuganov Says Communists Unlikely To Enter New Government

LD0608163996 Moscow INTERFAX in English 1600 GMT 6 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 6 (Interfax) — The plenum of the Communist Party of Russia, concluding its session in Moscow Tuesday, announced the Communists would not be likely to enter the government, leader of the Russian Communists Gennady Zyuganov told journalists.

According to Zyuganov, the plenum has commissioned the parliamentary Communist faction "to consider all proposals of the government and then to pass a decision."

Participants of the plenum also estimated results of the presidential election campaign.

"We are standing on the field at Borodino," Zyuganov said, referring to the famous stalemate between Russian and French forces in 1812 which ultimately proved disasterous for Napoleon. "We have not lost and our opponents have not won at the elections. We have preserved our forces and opportunities and are confidently moving forward," Zyuganov said.

He reported that the plenum passed a decision for the Communist Party of Russia to enter Russia's Popular Patriotic Union under creation now. The movement's constituent congress will be opened in Moscow Wednesday.

Russia: Communists Urged Not To Block Chernomyrdin

MM0608163296 Moscow SOVETSKAYA ROSSIYA in Russian 3 Aug 96 pp 1-2

[Article by Saveliy Slavin, Roman Petrov, and Gennadiy Mazurov of the Independent Political Marketing Bureau: "No-Win Situation. Should the Opposition Block Chernomyrdin's Confirmation?"]

[FBIS Translated Text] Various analysts are today assessing alternative scenarios for the development of events in the Duma after the president's nomination of Premier Chernomyrdin for confirmation by parliament.

The disposition of forces as regards confirming the president's nominee for the post of head of the government is today roughly as follows. He will undoubtedly be supported by the "Russia Is Our Home" faction and also by the closely associated, pro-presidential "Russian Regions" group. Zhirinovskiy's Liberal Democrats have declared that they will be doing deals until the last minute. "Yabloko's" position will doubtless depend on whether it receives seats in the government. The only ones not to have declared their position are the left-wing patriotic groups in parliament, who control about 200 of the 450 seats in the Duma. Who, in other words, will largely decide the outcome.

We cannot exclude the possibility that both "Yabloko" and the LDPR [Liberal Democratic Party of Russia] will noisily proclaim their membership of the opposition (although they lost the moral right to that status by supporting Yeltsin in the presidential election) and vote against Chernomyrdin's candidacy; then the government's confirmation will be totally predetermined by the position of the Agrarian group, the "People's Power" group, and the CPRF [Communist Party of the Russian Federation] faction.

Of course, we could analyze numerous variants of opposition parliamentary tactics with regard to Chernomyrdin's nomination.

For example, **the opposition rejects the prime minister's nomination** — while the electronic media howl, **the opposition is declared the principal culprit for political and economic instability** and directly responsible for the fact that timely measures were not taken against the economic collapse forecast for the fall.

The opposition supports the antipeople government — and it is still cast by the very same media **as an accessory to the regime's fatal socioeconomic policy.**

It's like "zugzwang" in chess — **any move only worsens the situation.**

In general, victory in the parliamentary elections and defeat in the presidential election have put the opposition in an extremely difficult situation. The situation of a force that has been driven into a corner.

Nevertheless, the opposition still has room for maneuver in the political mosaic that is taking shape. For example, in one scenario the groups allied to the Communists reluctantly support Chernomyrdin's nomination, but the backbone of the opposition — the CPRF faction, the biggest — does not. Although all the indications are that the regime would find an antidote even to this move in the shape of other quasi-opposition forces, deftly manipulated by the party of power. For example, if they were to promise the LDPR another mansion for their party headquarters (remember how the Yusupov palace was transferred to the LDPR before the second round of voting), — just watch — that faction will behave "as required" by the powers that be and will abstain, thus stranding the Communists. A scenario is quite possible in which the LDPR and "Yabloko" vote neither for nor against, with the result that the votes of deputies from single-seat constituencies may not suffice to achieve the objective of "not blocking"

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Chernomyrdin's confirmation. The CPRF faction will again be marginalized.

We repeat, it is not our task to consider specific variants of opposition parliamentary tactics. Something else is more important: to indicate, if only provisionally, the probable way out of the impasse. Political "zugzwang" can be resolved in only one way — by honestly, directly, and maybe even bluntly explaining to voters the full gravity of the situation following Yeltsin's reelection, in which circumstances compel the adoption of a policy of choosing the lesser evil.

And, without a doubt, the lesser evil is as follows — not to block the confirmation of the prime minister nominated by the president who won the election.

How should the Communists justify their decision not to obstruct Chernomyrdin's confirmation?

First, Yeltsin's election success means that a majority, albeit a relative majority, of the people have "forgiven the sins" of his regime. Which means that Chernomyrdin's "sins" have also been forgiven. On the presumption of innocence, it is logical to give the victorious president's government another chance.

The important thing is this: such **"noninterference" can and should last only until the government's first actions which the opposition judges to be not in accordance with national-state interests**, that is, until its "guilt" is again established.

Second, by not "failing" Chernomyrdin the opposition shows that it is, in law-abiding fashion, carrying out the will of the voters. Of those Ivanovo weavers whose children are swollen with hunger and who, despite everything, voted for Yeltsin's policy. Of those in Maritime Kray who have been plunged into actual darkness because of the energy crisis, but who effectively provoked it by voting for Yeltsin's policy. Of those Moscow and St. Petersburg pensioners who live in dread of the next rent rise and moan at the nonpayment of allowances, but nevertheless give Yeltsin their votes. Of those inhabitants of Chechnya who are being killed in the fire of the conflict but who still almost unanimously approved Yeltsin's policy of first arming and now bloodily disarming the bandit formations. Of those tens of millions of "shuttle traders" whose moans at the customhouses grow ever louder because of the new increase in fiscal pressure, but who still used their votes to swell the chorus of electoral acclamations of Yeltsin's policy.

The Communists must make it plain to all these groups of voters that they respect their will and are prepared to join them in waiting to see how the new government fulfills the president's promises.

Third, by not preventing Chernomyrdin taking up office, the opposition shows that it is civilized and abides by the rules of the democratic process. It opens up a real opportunity for the executive to fulfill what was promised to the voters, while closing any loopholes for excuses such as: "We were blocked by the Duma and the opposition."

We repeat: **All these arguments must be plainly, clearly, and bluntly spelled out by the opposition to the whole country. And to this end, opposition leaders must be given the opportunity to explain their position live (without commentators) on all national TV and radio channels.**

This may be the only way out of the political "zugzwang" (in Russian: "a no-win situation") in which the opposition finds itself today.

Russia: 'Radically Inclined' Yeltsin Staff Profiled

MM0608152596 Moscow ROSSIYSKIYE VESTI in Russian 6 Aug 96 p 1

[Feature prepared by Feliks Babitskiy and Yuriy Kukanov under the general heading: "New Recruits on Staraya Ploshchad"]

[FBIS Translated Text]

The First Democrat Chekist Will Be in Charge of Cadres...

Yevgeniy Savostyanov's appointment as deputy chief of the Presidential Staff is a step to which there will, in any event, be a stormy reaction in the corridors of power. At any rate, this was the case on his first appointment to the responsible post in 1991.

At that time, after the rout of the State Committee for the State of Emergency, the democrats suddenly and even with some surprise realized that they were in power in place of the CPSU, which had passed on overnight. There followed a veritable avalanche of cadre appointments, transfers, and resignations. In particular, Moscow Mayor Gavriil Popov insisted on the candidacies of Democratic Russia activists Murashev and Savostyanov, appointing them respectively chief of the Internal Affairs Main Administration and chief of the KGB Administration for Moscow and Moscow Oblast.

Many experienced chekists in the capital at once took a dislike to the new boss. Indeed, if even the policeman Barannikov and the fireman Stepashin felt like strangers among them, Savostyanov was altogether a "civilian" — a physicist — and, moreover, he belonged to the very public who had previously been "tended," pardon me,

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by his new subordinates. What is more, once heading the department he long refused to wear a general's shoulder boards, wishing to lay the foundations of a new tradition of civilian leadership of the power structures. Admittedly, "corridor" public opinion proved stronger, and the new boss was nonetheless persuaded not to make his mark but to observe quite different traditions.

Despite his "democratic" origin and the hidden conflict with veterans of the "invisible front," however, Savostyanov did not simply join the new power structures but also contrived to work in them for quite a long time by modern yardsticks. He lived through three renamings of his ministry — as the Ministry of Security, the Federal Counterintelligence Service, and the Federal Security Service — and the resignations of three ministers (Ivanenko, Barannikov, and Golushko), as well as the resignation of Mayor Popov, who had been his protector. But the last event had the least effect on the general's fate. Yuriy Luzhkov, who became the new mayor, was from the same team, and he arranged excellent cooperation with Moscow's state security people, as also with the policemen. It was no coincidence that City Hall was virtually the only body to really control the situation in the capital during the tragic days of "Black October."

But storm clouds soon began to gather over Mr. Savostyanov's head. This was precisely a consequence of his good relations with Luzhkov and the latter's huge influence, which displeased another very influential politician, General Korzhakov. A conflict was bound to erupt: It would only take a spark. The spark turned up: A group of persons unknown, carrying weapons, attacked the headquarters of City Hall's authorized bank, Mostbank. They beat up the bank guards, pushed them face down in the snow, and tried to remove documentation constituting a commercial secret. The guards, the majority of whom were themselves retired chekists, realized from certain signs that they were dealing with colleagues and offered no resistance. But the bank was quick to call for help from Savostyanov's people. Task force members responded to the alarm, and a brief skirmish occurred between them and the unknown persons, who proved to be staff of the Main Protection Directorate and the Presidential Security Service. According to unconfirmed information, "a certain very important person" suffered in the skirmish. Criminal proceedings were instituted with regard to the attack on the bank. A few hours later many leaders of the capital's law enforcement organs had to leave office. Savostyanov was retired too. The central press and the democratic public were extremely indignant at this.

Very little is known about the subsequent fate of the first democrat chekist. We know only that he became one of the chief political advisers to Mikhail Shmakov, chairman of the Federation of Independent Trade Unions of Russia. This attests yet again to the great experience and the extensive useful ties that Mr. Savostyanov acquired in his post. Sergey Medvedev, the president's press secretary, has also spoken of his experience, commenting on his new appointment. "Savostyanov is virtually... faced with creating a new system for selecting and placing cadres," Medvedev reported, and this sentence sounded threatening to very many officials of the "old school."

As for his immediate boss, Anatoliy Chubays, Mr. Savostyanov has not worked directly with him before. But he cannot fail to have known his brother Igor, one of the first opposition leaders inside the CPSU and an activist of the first democratic gatherings in the capital. At the very same time Anatoliy Borisovich was close friends with the leaders of the Leningrad People's Front, although he tackled economic, not political problems, advising the city's first enterprises to be privatized. Thus, both the leader and his deputy come from the same milieu and are people with the same convictions and, moreover, incidentally, they are also fellow countrymen, like all five of Anatoliy Chubays' deputies appointed in the past few days. So the team on Staraya Ploshchad has a chance of working very well together within a short time.

Someone With Experience of Privatization: Public Relations

Of all five deputy chiefs of the Presidential Staff appointed recently, Maksim Boyko is not only the youngest but also the least well known to the general public.

Although, mindful of the fact that in the recent past he headed the Russian Privatization Fund, it can at once be said that he is a member of Chubays' team. It is possible to add to his personal references that Mr. Boyko is renowned as a tough politician. But this definition can probably be applied to half his colleagues.

His former post tells us far more. Technical assistance in implementing reforms came to Russia from the West through the fund which he headed. It was he, Boyko, who had to convey the aims of the new economic course to public opinion. Let us recall the famous slogans like "Privatization" with the letters "za" [for] singled out and emphasized, or the video clips "You were too late...." If we compare them with the recent "Vote or you will lose!" a great stylistic similarity will be detected. This points not only to one and the same producer of publicity products but also to the same client. Let us note that both campaigns were very successful. Thus, Maksim Boyko's previous experience has once again been called upon.

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It is perfectly clear that Chubays' new deputy will not be to the liking of the Duma majority. We can still remember the 1994 scandal, when the fund published data on the capitalized value of privatized enterprises. This was at once followed by fierce attacks on the fund, on the State Committee for the Management of State Property, and primarily on Boyko and Chubays by Duma nationalists Burkov and Glazyev. At the time the former headed the Duma Ownership Committee, and the latter the Economic Policy Committee. They both unanimously maintained that the value of what had been privatized had been understated by 20 and sometimes even 100 times. Admittedly, as is always the case in our parliament, things went no further than noisy news conferences with one more "case" being waved in the air. Fortunately for the Staff, its cadre questions are outside the Duma's competence, and Messieurs Glazyev and Burkov as politicians now belong to history. But they still have plenty of influential confederates.

Thus, the appointment of Boyko, like the other deputy Staff leaders, shows that the time of compromises with the conservative section of officialdom and of a truce with the opposition has drawn to an end. The new presidential team has its own plan of reforms, is radically inclined, and has no intention of "pleasing" anyone. You cannot please everyone at once, so why endeavor to no avail? Internal unity is far more important to it now. As can be seen, this has been reliably guaranteed by the very biography of each of its members. Three of Anatoliy Chubays' deputies are his fellow countrymen. The fourth is closely linked with him by previous work, convictions, and personal sympathies.

...And the Control Administration Will Be Headed by a St. Petersburg Economist

As is known, the Russian president's Control Administration is headed by St. Petersburg economist Aleksey Kudrin. He is linked to Anatoliy Chubays, chief of the Presidential Staff, by considerable experience of joint work. They have been acquainted since the USSR Academy of Sciences Institute of Socioeconomic Problems, where in the late eighties they tackled the concept of the Leningrad Free Enterprise Zone. The development group was headed by Anatoliy Chubays. In the fall of 1990 Aleksey Kudrin took up the post of deputy chairman of the Leningrad City Soviet Executive Committee Economic Reform Committee, which was also headed by Chubays. In Anatoliy Sobchak's government Kudrin became first deputy mayor, heading the Economy and Finance Committee.

Kudrin did not get a post in the new government of Governor Vladimir Yakovlev. Some time after the change of power at Smolnyy a group of his new bosses headed by Vice Governor Vyacheslav Shcherbakov gathered materials supposedly attesting to the catastrophic financial and economic state of the Northern Palmyra [St. Petersburg]. There was no scandal: Aleksey Kudrin accused the commission of incompetence and promised to refute its conclusions point by point.

Russia: Shokhin Sees Road Explosion as Psychological 'Pressure'

LD0608133596 Moscow INTERFAX in English 1318 GMT 6 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 6 (Interfax) — Today's explosion on a Moscow region road several minutes before the arrival of Russian Prime Minister Viktor Chernomyrdin's motorcade is an attempt to psychologically pressure him on the eve of his reconfirmation to his post by the Russian State Duma, First Deputy Duma Chairman Aleksandr Shokhin told Interfax Tuesday.

Shokhin did not rule out a Chechen link to the bombing.

"However, I am not in a position to speak definitely about it," he said.

Russia: Explosion on Chernomyrdin's Route Smaller Than Thought

LD0608121096 Moscow Mayak Radio Network in Russian 1100 GMT 6 Jul 96

[FBIS Translated Text] As we have already reported, an explosion took place this morning on the route along which Prime Minister Chernomyrdin was travelling to work in Moscow from his country residence, two kilometers from where the motorcade was travelling along the Rublevskoye Shosse. New details have become known. Our commentator Anatoliy Fedorov is at the microphone.

[Fedorov] I have been told by Major-General of Militia Yegor Rozhkov, first deputy head of the Moscow city directorate of internal affairs, who went to the scene, this explosion had no criminal or political implications. Specialists have established that what exploded was an uncased explosive device containing 100-150 grams of TNT equivalent and not over 200 grams as reported earlier. The crater was very small, only 25-30 centimeters deep and about one meter in diameter. It was located 27 meters from Rublevskoye Shosse where the motorcade was to pass, and five meters from a local road. At this place there is a small dump containing lots of domestic rubbish and specialists consider that the so-called explosive could have been in one of the piles of rubbish or thrown out from the windows of a vehicle going along the local road.

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The investigation into this incident is continuing.

Russia: FSB Says Explosion on Highway 'No Accident'

MK0708102196 Moscow KURANTY in Russian 7 Aug 96 p 1

[Report by Yelena Nizhegorodskaya: "Premier's Car Passed Danger Zone Three Minutes After Explosion"]

[FBIS Translated Text] Yesterday at 0842, an uncased homemade explosive device [bezobolochnoye samodelnoye vzryvnoye ustroystvo] went off on a shoulder of the Rublevo-Uspenskoye highway. Specialists put its power at 200 to 250 grams of TNT.

KURANTY was told at the Moscow and Moscow Oblast FSB [Federal Security Service] directorate that the explosion took place 50 meters off the MKAD [Moscow Outer Beltway]. What is of special interest is that it is along this highway that the houses of important members of the government are situated; Russian President Boris Yeltsin and Prime Minister Viktor Chernomyrdin are among those living along the Rublevo-Uspenskoye highway. True, the epicenter of the blast was not in direct proximity to a built-up area.

Repair and construction work is in progress in this region at the moment, and it was at first assumed that the explosion could have been caused by a rupture in a domestic gas supply pipeline.

The FSB investigation and operations group which worked at the site of the incident does not doubt that it was precisely an explosive device. So far no version has been advanced with regard to attempts to assassinate officials passing along the highway. Although the blast occurred three minutes before Chernomyrdin's car passed along the highway.... and it was a mere two kilometers from the site of the incident. But it was undoubtedly no accident that the device turned up on the road. "Such things are not lost through absentmindedness," the directorate's press service noted.

Russia: Deputy Premier Zaveryukha Removed From Agrarian Party

LD0608175996 Moscow Mayak Radio Network in Russian 1400 GMT 6 Aug 96

[FBIS Summary] The plenum of the Central Council of the Russian Agrarian Party today removed Deputy Prime Minister Aleksandr Zaveryukha, who is in charge of matters of the agro-industrial complex in the government, from the leading bodies of the Agrarian Party and approved a decision of the council's board on barring him from the party. The reasons were not disclosed. However, in an interview with INTERFAX, party chairman Mikhail Lapshin said Zaveryukha was removed because of his participation in the collapse of the agro-industrial complex.

Russia: Communists Self-Critical Over Election Campaign Mistakes

LD0608123596 Moscow INTERFAX in English 1201 GMT 6 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 6 (Interfax) — The plenum of the Communist Party of Russia held in Moscow Tuesday has given a sober and self-critical estimate to the mistakes made by the Communists during the presidential election campaign, Federation Council member and Chairman of the legislative assembly of the Kemerovo region Aman Tuleyev, a guest at the plenum, told Interfax.

The Communists lost the presidential elections primarily "due to weak work by activists," he said. Despite the miscalculations, the Communist Party must become "the major core" of the new Russian Popular Patriotic Union. The new movement's founding congress is to open on Wednesday, Tuleyev said. It would be desirable to elect a chairman of this movement on the basis of a competition of various candidates, Tuleyev said.

"If the movement takes into consideration the miscalculations made by the left-wing forces and is able to coordinate work to nominate single candidates at the upcoming regional elections then it will have all chances to win about 80 percent of the posts of governors, mayors and chairmen of legislative assemblies," Tuleyev said.

Tuleyev has not decided whether to run for the governorship at the elections in the Kemerovo region. He will hold a series of consultations regarding this issue in the Kuznetsk basin region and with several public associations.

Tuleyev said Head of the Presidential Administration Anatoliy Chubays "has already declared his support for former governor Vladimir Kislyuk, and money to back his election campaign has already been channelled to the region though the time of elections has not been defined yet."

Federal Assembly

Russia: Legislative, Regulatory Documents 28 Jul - 3 Aug

96P50112A

[FBIS Report] The following is a listing of Russian legislation recently published in the press of the Russian Federation compiled by FBIS. Numbers within parens indicate approximate wordage. Entries followed by the

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notation "Text" have been translated into English and are available in FBIS publications.

SECTION I: ECONOMIC LEGISLATION (EXPORT-IMPORT, BANKING, PRIVATIZATION, AUCTIONS, REGIONAL DEVELOPMENT)

Government 14 May Decree No. 580 On Tasks, Authorities, Premises, Etc. Of Federal Highway Service In Pursuance Of IS May Yeltsin Edict On Improving System Of State Management Of Transport Complex. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 6) (800)

Government 14 May Decree No. 581 On Tasks, Authorities, Premises, Etc. Of Ministry Of Transport In Pursuance Of 15 May Yeltsin Edict On Improving System Of State Management Of Transport Complex. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 6) (800)

Government 14 May Decree No. 582 On Tasks, Authorities, Premises, Etc. Of Federal Maritime Fleet In Pursuance Of 15 May Yeltsin Edict Qn Improving System Of State Management Of Transport Complex. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 6) (800)

Government 14 May Decree No. 583 On Tasks, Authorities, Premises, Etc. Of Federal Aviation Service In Pursuance Of 15 May Yeltsin Edict On Improving System Of State Management Of Transport Complex. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 6) (1300)

Government 14 May Decree No. 580 On Tasks, Authorities, Premises, Etc. Of Federal River Fleet In Pursuance Of 15 May Yeltsin Edict On Improving System Of State Management Of Transport Complex. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 6) (800)

Yeltsin 16 May Edict No. 728 On Establishing 'Tyumenskiy Neftyanoy Nauchno-Tekhnologicheskiy Tsentr' (Tyumen Oil Science And Technology Center) Open Joint-Stock Company. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 4) (400) (Text)

Government 17 May Decree No. 591 Approving Economy Ministry, Surgutneftegaz Proposal For Construction Of Oil Terminal In Batareynaya Bay On Gulf Of Finland. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 6) (450) (Text)

Government 17 May Decree No. 614 Approving Culture Ministry Proposals For Levels Of Royalty Payments In Line With 1993 Copyright Law, Plus Statute On Same. (Moscow ROSSIYSKAYA GAZETA in Russian 30 Jul 96 p 6) (650/1300)

Government 25 May Directive No. 833 Accepting Fisheries Committee Proposal To Hold Conference On Bering Sea Pollack Stocks, Appointing Committee Deputy Chairman Zilanov Leader Of Russian Delegation. (Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 6) (200)

Government 8 June Decree No. 667 Setting Up Land Fund For Cossacks, Plus Commentary By Land Resources Committee Aide Aleksey Gryzhin. (Moscow ROSSIYSKAYA GAZETA in Russian 30 Jul 96 p 4) (200/600)

Government Il June Decree No. 684 On Organizing Production Of Silicon Semiconductor Material For Nuclear Industry In Krasnoyarsk Kray. (Moscow ROSSIYSKAYA GAZETA in Russian l Aug 96 p 6) (1000)

Chernomyrdin 19 June Decree No. 714 On Urgent Measures For State Support For Tyva Republic's Socioeconomic Development In 1996-2000. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 4) (1700)

Government 24 June Decree No. 745 On Implementing Recommendation Of East- West Trade Ministers' Conference. (Moscow ROSSIYSKAYA GAZETA in Russian 30 Jul 96 p 4) (650) (Text)

Government 27 June Directive No. 1016 Endorsing Raising Of UK Investment Loan Of Up To $200 Million For Purchase Of Equipment, Materials, Services For Modernization Of St. Petersburg Transport And Commercial Center And Construction Of New One. (Moscow ROSSIYSKAYA GAZETA in Russian l Aug 96 p 4) (350)

Chernomyrdin l July Directive No. 1046 Instructing Ministry Of Foreign Economic Relations To Issue Certificates Of Origin For Goods Falling Within Tariff Preferences Granted By Foreign States To Russian Federation. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 4) (200)

Government 3 July Directive No. 1063 Approving, Recommending Application Of 'Social Norms And Normatives' (Not Published) Approved by Various Ministries For 'Determining Financial Normatives For The Formation Of Russian Federation Component And Local Budgets.' (Moscow ROSSIYSKAYA GAZETA in Russian 30 Jul 96 p 6) (250)

Chernomyrdin 3 July Directive No. 1064 Approving (Unpublished) Membership Of Commission To Pre-

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pare Blueprint For Establishing System Of State Minimum Social Standards And Draft Federal Law On Those Standards. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 4) (250)

Government 12 July Decree No. 791 Ratifying Earlier Amendments To Original Law On Tax Police Regulations, Plus Text Of Actual Amendments. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 6) (200/1400)

Government 12 July Decree No. 792 On State Support For Russian Aviation Consortium Financial And Industrial Group. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 4) (850) (Text)

Government 12 July Decree No. 800 Approving Appended Procedure For Reimbursement Of Excise Duty On Ethyl Alcohol Used For Manufacture Of Non- Dutiable Products. (Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p II) (100/800/Blank Specimen Form)

Government 12 July Decree No. 802 Approving List Of 480 Defense Industry Enterprises, Organizations Which Cannot Be Privatized, Excluding Various Enterprises From Previous Similar Lists; Plus Appendixes Comprising Lists Of Affected Enterprises. (Moscow ROSSIYSKAYA GAZETA in Russian 30 Jul 96 pp 5-6) (8000)

Chernomyrdin 12 July Directive No. 1093 On Funding Development Of Subways As From 1997 From Federal Budget And Federation Component Budgets While Gradually Reducing Federal Budget's Share To 50 Percent. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 4) (300)

Government 17 July Decree No. 824 Approving Appended Procedure For Sale Of Foreign-Made Alcohol And Tobacco Products Which Either Have Been Confiscated Or Have Become Federal Property By Other Means. (Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 11) (400/900)

Government 17 July Decree No. 825 Amending 1994 Decree On Tobacco Excise Duties. (Moscow ROSSIYSKAYA GAZETA in Russian 30 Jul 96 p 4) (200)

Government 17 July Decree No. 862 On State Support For Moskvich Auto Plant. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 4) (600) (Text)

Government 17 July Decree No. 869 On Regulating Prices For The Goods And Services Of Natural Monopolies. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 5) (800) (Text)

Government 17 July Decree No. 872 On Additional Measures To Provide Housing For Citizens Moving Away From Far North, Equivalent Locations. (Moscow ROSSIYSKAYA GAZETA in Russian 2 Aug 96 p 7) (1200)

Chernomyrdin 17 July Directive No. 1113 Accepting Transport Ministry's Proposal For 5-Year Exemption From Duties And Taxes On Four A-310-300 Aircraft And Other Equipment Temporarily Imported By Aeroflot For Use On International Air Routes. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 4) (100)

Chernomyrdin 17 July Directive No. 1114 Accepting Proposal Of Transport Ministry And Sakhalin Oblast Administration For 5-Year Exemption From Duties And Taxes On Two Boeing 737 Aircraft And Other Equipment Temporarily Imported By Sakhalinskiye Aviatrassy Air Company For Use On Domestic And International Routes. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 4) (150)

Chernomyrdin 17 July Directive No. 1122 Allocating Komi Government R50 Billion For Expenditure On Maintaining Coal Industry Enterprises' Housing Taken Into Municipal Ownership. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 1) (100)

Government 17 July Directive No. 1127 Approving Proposal For Program For 'Utilization, Restoration, And Protection Of The Water Resources Of The Ob River Basin,' Specifying Responsible Authorities, Funding. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 4) (250)

Government 17 July Directive No. 1133 On Licensing Sale Of Precious Stones, Metals. (Moscow ROSSIYSKAYA GAZETA in Russian 30 Jul 96 p 4) (100)

Government 17 July Directive No. 1142 Approving Proposal For Export Of 1 Million Tonnes Of Oil A Year To Generate Income For Development Of 'Gzhel' Artistic Ceramics Association. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 4) (200)

Government 17 July Directive No. 1144 Approving Proposal For Free Transfer To Karelia Republic State Ownership Of 'Nonhousing Stock' Of Former Border Post In Lyaskelya. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 4) (50)

Government 17 July Directive No. 1160 On Moscow International Oil Club. (Moscow ROSSIYSKAYA GAZETA in Russian 30 Jul 96 p 4) (300)

State Duma 17 July Resolution No. 558 Noting Comptroller's Office Report For 1995, Urging It To Tighten

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Procedures. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 6) (400)

Government 18 July Decree No. 806 On Licensing Alcohol Production. (Moscow ROSSIYSKAYA GAZETA in Russian 30 Jul 96 p 4) (400)

Government 18 July Decree No. 807 On Referring Draft Edict On Permskiye Motory Shares To Yeltsin. (Moscow ROSSIYSKAYA GAZETA in Russian 30 Jul 96 p 4) (100)

Government 18 July Decree No. 808 On Procedure For Transportation Across Russia's Customs Borders Of Goods Not Meant For Production Or Other Commercial Activity By Physical Persons, Plus Alekseyev Commentary. (Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 14) (2400/500)

Government 18 July Decree No. 839 On Creation Of Federal Tax Police Service Tax Policy Academy. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 5) (400)

Government 18 July Decree No. 841 Approving List Of Types Of Earnings From Which Child Maintenance Payments Can Be Deducted At Source, Plus Text Of List. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 3) (400/1000)

Government 18 July Decree No. 843 On Payment Of One-Shot Benefits To Persons Who Suffered Firearms Wounds During June 1962 Novocherkassk Events. (Moscow ROSSIYSKAYA GAZETA in Russian 2 Aug 96 p 7) (300)

Government 18 July Decree No. 851 On Additions To Procedure For Licensing Retail Trade In Trucks And Special Transportation Vehicles. (Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 6) (100)

Government 18 July Decree No. 855 On Development Of Gas Supplies To Central Chernozem Region In 1996-2000. (Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 4) (900)

Government 18 July Decree No. 858 Amending 1995 Decree No. 644 On Privatization In Moscow. (Moscow ROSSIYSKAYA GAZETA in Russian 30 Jul 96 p 4) (300) (Text)

Government 18 July Directive No. 1115 Accepting Proposal For Development Of New Rocket Technologies Based On Liquid Hydrogen, Liquefied Petroleum Gas. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 4) (600) (Text)

Government 18 July Directive No. 1151 Approving Proposal For Creation Of Finance Ministry Budget And Treasury Academy. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 5) (400) (Text)

Government 18 July Directive No. 1153 Giving Coordinates Of New Sectors Of Air Routes Opened To International Flights. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 5) (1300)

Government 18 July Directive No. 1154 Accepting Ministry Of Transport Proposal to Give Foreign Tankers Access To Listed Arctic Ports. (Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 6) (300) (Text)

Chernomyrdin 18 July Directive No. 1156 Allocating 'By Way Of An Exception' Rl.5 Billion To Ministry Of Social Protection To Buy Specially Adapted 'Oka' Cars For Disabled Afghan Veterans In Omsk Oblast (Funds To Come From 'Social Policy' Section Of 1996 Budget). (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 1) (50)

Government 23 July Decree No. 874 On Introduction Of State Register For Ethyl Alcohol. (Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 11) (500)

Government 23 July Decree No. 875 On Measures To Stabiliie Viticulture And Wine Industry In Russia. (Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 4) (400)

Government 23 July Decree No. 879 Transferring The Ministry Of Construction's DaINIIS And Uralskiy NIIPKI Institutes To The Jurisdiction Of The Russian Academy Of Architecture And Construction Sciences. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 5) (200)

Government 23 July Directive No. 1665 Approving Proposal For Free Transfer To Maritime Kray State Ownership Of Nonhousing Stock Of Former No. 6 Military Camp In Vladivostok. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 4) (150)

Yeltsin 25 July Edict No. 1092 On State Support For Technical Reequiping Of Nizhniy Tagil Metallurgical Combine. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 4) (400)

Yeltsin 25 July Edict No. 1094 On State Support For Socioeconomic Development Of Taymir (Dolgano-Nenets) Autonomous Oblast In 1997-2005. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 4) (500)

Yeltsin 25 July Edict No. 1095 On Measures To Ensure State Financial Control In Russian Federation. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 3) (650) (Text)

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Yeltsin 25 July Edict No. 1097 Accepting Government Proposal For Retention Of 14.35 Percent Of Permskiye Motory Shares In Federal Ownership For Three Years In View Of Company's 'Strategic Significance For Ensuring National Security.' (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 3) (100)

Yeltsin 25 July Federal Law No. 96 Ratifying Agreement With Economic Union Interstate Economic Committee On Terms For Committee's Presence On Russian Federation Territory. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 4) (100)

SECTION II: POLITICAL (INTERNATIONAL AND CIS AFFAIRS, ELECTIONS, CRIME, POLLUTION)

Government 7 June Decree No. 654 Approving Environmental Protection Ministry Proposals For Creation Of State Center For Ecological Programs, Specifying Center's Tasks. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 6) (600)

Government 7 June Decree No. 656 On Improving Organization Of Russian Delegation To Preparatory Commission Of The Organization For Banning Chemical Weapons, And Providing Support For Its Work. (Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 6) (400) (Text)

Government 11 June Decree No. 699 Approving Appended (But Not Published) Draft Agreement On Cultural Cooperation With DPRK. (Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 14) (200)

Government 11 June Decree NO. 700 Approving Appended (But Not Published) Draft Agreement On Cultural And Scientific Cooperation With Tunisia. (Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 14) (200)

Yeltsin 19 June Edict No. 940 On Amendments To Edict No. 529 Of 12 April On Lists Of Category 'B' And 'C' Federal Service State Posts In The Russian Presidential Staff And Russian Security Council Apparatus. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 4) (100)

Yeltsin 21 June Directive No. 33 Adding Three Officials To List Of Those Authorized To Designate Information As State Secret. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 3) (150) (Text)

Government 24 June Decree NO. 743 Approving Appended (But Not Published) Draft Agreement On Cultural And Scientific Cooperation With Iraq. (Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 14) (200)

Government 1 July Directive No. 1048 Approving Appended (But Not Published) Draft Memorandum Of Agreement Between Fisheries Committee And UN FAO Fisheries Department. (Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 14) (200)

Government Il July Directive No. 923 On Management Of Lev Tolstoy's Estate At Yasnaya Polyana. (Moscow ROSSIYSKAYA GAZETA in Russian 30 Jul 96 p 4) (200)

Government 17 July Decree No. 823 On Procedure For Keeping Records Of Zoological Collections, Other Actions Affecting Them. (Moscow ROSSIYSKAYA GAZETA in Russian 2 Aug 96 p 7) (1000)

Government 17 July Decree No. 871 On Measures To Implement Law On General Principles Of Local Self-Government (List Of Earlier Enactments Deemed To Have Lapsed). (Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 6) (300)

Government 17 July Directive No. 1120 Approving Appended (But Not Published) Draft Agreement Between Defense Ministry And Lithuanian Health Ministry On Medical Service For Russian Military Pensioners. (Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p Il) (200)

Chernomyrdin 17 July Directive No. 1123 Recommending Use Of $16.15 Million Loan From Japan To Fund Purchases Of Equipment And Construction Of Medical Diagnostic Center In Irkutsk. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p l) (300) (Text)

Government 17 July Directive No. 1131 Setting Up State Company To Take Over Sri Lanka Tea Plantation. (Moscow ROSSIYSKAYA GAZETA in Russian l Aug 96 p 6) (250)

Government 17 July Directive No. 1138 On Russia's Contributions To International Fisheries Organizations. (Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 11) (300)

Government 17 July Directive No. 1140 Approving Plans For October 1996 Forum On 'Russia And China — Regional Cooperation.' (Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 11) (200) (Text)

Government 17 July Directive No. 1141 Ordering Construction Of Kursk Battle Museum In Kursk, Specifying Responsible Authorities, Funding. (Moscow ROSSIYSKAYA GAZETA in Russian l Aug 96 p 4) (300)

Government 18 July Decree No. 815 On Functions Of Defense Industry Ministry. (Moscow ROSSIYSKAYA GAZETA in Russian 30 Jul 96 p 4) (1000) (Text)

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Government 18 July Decree No. 818 On Creating The Vladimir Legal Institute Of The Russian Federation MVD. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 5) (500)

Government 18 July Decree No. 842 On Elaborating A National Action Plan To Improve The Position Of Women And Enhance Their Role In Society Before 2000. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 4) (450) Chernomyrdin 18 July Decree No. 844 On Elaborating 'Older Generation' Federal Targeted Program For 1997-1999. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 4) (400)

Government 18 July Decree No. 857 Approving Defense Industry Ministry Proposal For Transformation Of Its Main Scientific Methods Center For Improving Qualifications And Training Cadres Into The Personnel Development Academy. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 5) (200)

Yeltsin 18 July Edict No. 1039 Approving Statute On Russian Federation Ministry Of Internal Affairs, Plus Text Of Statute. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 5) (100/5500)

Duma 18 July Resolution No. 582 Urging Institution Of 'Labor Veteran Medal, Requesting Yeltsin To Order Formulation Of Appropriate Statute.' (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 3) (150)

Yeltsin 20 July Directive No. 377 Making Changes To Membership Of Presidium Of Russian Federation National Committee For Decade Of International Law. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 4) (300)

Government 23 July Decree No. 880 On Creating Belgorod State University. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 5) (450)

Yeltsin 25 July Edict No. 1096 Deeming Null And Void Edict No. 2209 Of 23 December 1994 On Funding Production Units And Facilities Posing A Particular Radiation And Nuclear Danger. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 4) (50)

Yeltsin 25 July Federal Law No. 97 Ratifying Fifth Additional Protocol To World Postal Union Charter. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 4) (50)

Yeltsin 30 July Edict No. 1112 Including Additional Facilities To List Of Especially Valuable Cultural Heritage Monuments. (Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 4) (250)

Yeltsin 30 July RF Law No. 98 Introducing Amendments And Additions To Law On Status Of Holders Of Hero Of The Soviet Union And Other Orders. (Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 4) (400)

Yeltsin 30 July RF Law No. 103 Introducing Amendments And Additions To RSFSR Administrative Crimes Code, RSFSR Criminal Code, And RSFSR Criminal Procedure Code. (Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 4) (2000)

Yeltsin 31 July Edict No. 1121 Approving Composition Of S'ecurity Council Plus List Of Council Members. (Moscow ROSSIYSKAYA GAZETA in Russian 2 Aug 96 p 2) (250/250)

Yeltsin 31 July RF Law No. 105 Ratifying Russian-Belarusian Agreement On Reciprocal Currency Convertibility. (Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 4) (100)

SECTION III: SCIENCE AND TECHNOLOGY

Government 17 July Decree No. 822 Adding To List Of Vitally Necessary And Most Important Medicines, Profits From The Sale Of Which Are Not Liable To Taxation. (Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 6) (200/Table)

Government 17 July Decree No. 826 Approving List (Not Published) Of Enterprises, Institutions, And Organizations Under The Jurisdiction Of The Russian Academy Of Sciences. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 5) (300)

Government 17 July Directive No. 1132 Approving Proposal For Creation Of 'Siberian Laser Center' Intersector Scientific And Technical Association. (Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 96 p 5) (350) (Text)

Yeltsin 25 July Edict No. 1091 On Amendments Of Edict No. 558 Of 15 April On Measures To Develop Basic Science In Russian Federation And Status Of Russian Academy Of Sciences. (Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 4) (50)

Russia: Duma To Discuss Candidate for Prime Minister 9 Aug

LD0508154496 Moscow INTERFAX in English 1450 GMT 5 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 5 (INTERFAX) — Duma Chairman Gennadiy Seleznev has formally notified all the faction leaders and independent deputies in writing that the house will hold a special plenary session on Saturday, August 10.

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"According to the preliminary information available, the Russian president will officially present a candidate for prime minister on Friday afternoon, August 9," chief Duma spokesman Viktor Cheremukhin told Interfax. Considering this, the Duma is asked to meet in session at 11:00 a.m. on Saturday to discuss the candidate proposed by the president.

Factions and deputies' groups will begin consideration of the candidate at 10:00 a.m. on Saturday.

Regional Affairs

Russia: Russian Mission in Groznyy 'Ablaze'; Russians Trapped

LD0708110796 Moscow ITAR-TASS World Service in Russian 1049 GMT 7 Aug 96

[By ITAR-TASS correspondent Sergey Trofimov]

[FBIS Translated Text] Groznyy, 7 August (ITAR-TASS) — Officials of the Russian Federation Government mission in Chechnya and Russian medical staff working in administrative buildings in the center of Groznyy as well as journalists from 20 news agencies, radio and television living in a hotel in the center of the Chechen capital have become hostages of the situation, an ITAR-TASS correspondent reports.

Akmal Saydov, deputy plenipotentiary representative of the Russian Federation Government in Chechnya, has just stated that units of militants armed with "Mukha" grenade launchers have made a renewed attempt to storm the complex of government buildings in the center of Groznyy. As a result of the shelling the mission building is ablaze.

Akmal Saydov claimed that today's situation in the republic was far worse that the situation in March when rebels also undertook an assault on Groznyy. According to intercepted rebel radio messages, all rebels who are in the city are concentrating near the government perimeter fence.

Akmal Saydov noted that Russian citizens in Chechnya on business — construction workers, doctors, and journalists — this time cannot be evacuated from the city center because it is surrounded by separatists.

Russia: Federal Armored Column Reportedly Heading for Groznyy

LD0708111396 Moscow ITAR-TASS World Service in Russian 1100 GMT 7 Aug 96

[By ITAR-TASS correspondent Sergey Trofimov]

[FBIS Translated Text] Groznyy, 7 Aug (Itar-Tass)— A column of armored vehicles of the federal troops is heading to Groznyy from Khankala to provide support for subunits of the internal troops, the ITAR-TASS correspondent has just been told by Ruslan Tsakayev, secretary of the Security Council of the Chechen Republic. Tsakayev said that the federal troops' task is to lift the blockade of the city center. Our correspondent has not been able to contact representatives of the federal forces to confirm this information.

Russia: Udugov Says Rebels Control Key Facilities in Groznyy

LD0708091896 Moscow Radiostantsiya Ekho Moskvy in Russian 0810 GMT 7 Aug 96

[FBIS Translated Text] INTERFAX reports that, apart from guards, there is no one inside Government House [in Groznyy], which is now being stormed by the opposition. However, for Yandarbiyev's supporters, the possible capture of this building is probably of great significance. The Russian Interior Ministry's coordination center told an ITAR-TASS correspondent about the latest radio interception. According to its information, the leadership of the armed opposition is threatening to shoot detachment commanders who fail to capture the government center.

However, Movladi Udugov, the opposition's official spokesman, told our radio station that the detachments which entered Groznyy have successfully fulfilled all the tasks entrusted to them.

[Begin Udugov recording] The Chechen subunits are in control of all the main communications, crossroads, and main roads, and all attempts last night by the Russian side to occupy any positions by assault groups were thwarted. In the area around the building of the pro-Moscow occupation authorities, Chechen subunits have sealed off this building, and are also sealing off the buildings of the interior ministry and the federal security services in this area.

They are now preparing for the second stage of the operation. There were no attempts last night to attack or to storm these buildings, so any information about this is in fact disinformation. [end recording]

[correspondent] According to Udugov, the armed detachments are now preparing to carry out the second stage of the prepared plan to storm the town. Udugov declined to reveal what the second stage consists of.

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Russia: Chechen Separatist Spokesman Udugov Comments on Fighting

LD0608171896 Moscow Russian Television Network in Russian 1600 GMT 6 Aug 96

[Video report; from the "Vesti" newscast]

[FBIS Translated Text] I have just been told that our editorial office has just received a telephone call from Movladi Udugov, minister of information in the [Chechen separatist] government of Zelimkhan Yandarbiyev. We have the opportunity to hear by telephone the opinion of the opposing side. The questions are virtually the same. I would like to ask Mr. Udugov to give their version of what is going on. The second question is this: Mr. Udugov, you have already heard that the federal side has announced an ultimatum. What do you think the Yandarbiyev government's response to this will be?

[Udugov] Yes. I must say that a special operation is being carried out today by the government forces of the Chechen Republic of Ichkeria to neutralize the Russian forces on the occupied part of the territory of the republic, in the towns of Groznyy, Argun, and Gudermes.

In our view this is a natural reaction to the massive, large-scale combat actions resumed by the Russian side unilaterally immediately after the elections.

By dinner time today the operational tasks of the first stage of the operation facing the government forces have been completely fulfilled. Concerning the harsh, I would even say, ultimatum-like, statement made by Sergey Vladimirovich Stepashin, we cannot agree with such an emotional way of looking at things. We consider it dangerous and unhelpful to try to bring any side to its knees by the use of force.

We are in favor of a political settlement and the fulfillment of the Kremlin and Nazran agreements. In our view such a position is quite understandable and all the more so in the light of the Russian side's actions that have been openly demonstrated over the whole of the past month. Thank you.

Russia: Shamil Basayev Said Heading Attack on Groznyy

LD0608143896 Moscow Russian Television Network in Russian 1300 GMT 6 Aug 96

[From the "Vesti" newscast]

[FBIS Translated Text] The attempt to seize Groznyy is being commanded by field commander Shamil Basayev. The Ekho Moskvy radio station was told this by Aslan Maskhadov, chief of staff of the Chechen formations. Maskhadov said that Zelimkhan Yandarbiyev had given his consent for this operation.

By all accounts the militants did not manage to achieve their aims. In the opinion of Anatoliy Kvashnin, commander of the North Caucasus military district, the attackers will be forced out of Groznyy by this evening.

[Begin Kvashnin recording] At present our only task is carefully, without — in the first place — using any artillery in Groznyy or any other heavy weaponry, so as to ensure some safety from heavy weaponry, and now, I think, literally in a short while, by this evening, they will simply disperse. [end recording]

Russia: Chechen Opposition Declares War on Russian Command, Not Army

LD0608133296 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 1255 GMT 6 Aug 96

[FBIS Translated Text] Before the storming of Groznyy on 6 August, the General Staff of the opposition armed formations had appealed to Russian soldiers, Aslan Maskhadov, chief of staff of armed formations of Chechen separatists, told the Moscow Echo radio station.

The appeal says that if certain conditions are met, i.e., Russian troops do not leave places of their deployment, there is no movement of hardware in town, and no fire is opened on Chechen units, then the opposition formations will not fire at roadblocks and commandant's offices and they will only blockade them.

"Today we declare war not on the soldiers of the Russian Army and not on the police but on those who are dragging out this war — Doku Zavgayev [head of Moscow-backed Chechen government], Vyacheslav Tikhomirov [commander of federal forces in Chechnya], Konstantin Pulikovskiy [acting commander of federal forces in Chechnya], Oleg Lobov [first deputy prime minister]," Maskhadov said.

Russia: Chief Russian Negotiators To Stay in Chechen Capital

LD0708105596 Moscow INTERFAX in English 1030 GMT 7 Aug 96

[FBIS Transcribed Text] GROZNYY, Aug 7 (Interfax) — The chief Russian negotiators at the talks with the Chechen separatists, Nationalities Minister Vyacheslav Mikhaylov and State Commission for Chechen Settlement Secretary Sergey Stepashin, will stay in the Chechen capital of Groznyy until the situation there returns to normal.

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This decision was made during Mikhaylov's telephone conversation with Russian Prime Minister Viktor Chernomyrdin this afternoon, Stepashin said.

At the same time, Security Council Secretary and presidential national security adviser Aleksandr Lebed told Stepashin by telephone that "talks will be held only with those who do not carry out military operations."

The two Russian leaders plan to preside over a Chechen government meeting in the near future.

Russia: Deputy Interior Minister Updates Groznyy Situation

LD0708105796 Moscow ITAR-TASS in English 1036 GMT 7 Aug 96

[FBIS Transcribed Text] GROZNYY, August 7 (Itar-Tass) — Not one of the strategic facilities in Groznyy was seized by militants last night, General Pavel Golubets, the First Russian Deputy Interior Minister, told Itar-Tass on Wednesday. The latest attempts to seize the centre of the city was made by militants at 4:30 a.m. Moscow time. The federal forces casualties were 29 men killed and 100 wounded, Golubets said.

Throughout the night, three units of Shamil Basayev's militants were storming the buildings of the Chechen government house, Interior Ministry and Security Service, but the attempts to seize them proved futile.

Militants continued firing at the positions of federal forces in Chechnya. According to reconnaissance information, the militants do not yet show the intention to pull back from Groznyy. They take measures to encircle federal forces check points. Servicemen of the Defence Ministry do not participate in combat. The deplorable experience of using combat equipment in city conditions has been taken into account.

Meanwhile militants' command is not satisfied with the results of the first day of storming Groznyy. This is attested by a radio report intercepted by the Russian Interior Ministry coordination centre in Chechnya. A certain party with the call signal North, addressing its radiogram to units with the call signs Warrior, Ichkeria, and Falcon, warned that commanders of these units will be executed unless the government centre is captured.

Tension in Groznyy focuses on the Minutka square where some 60 militants concentrated, and on the ruins of houses in downtown Groznyy on the perimeter of government buildings. Militant snipers conduct fire from the ruins.

The situation in the Staropromyslovskiy district and in the area of the railway terminal remains tense. The exchange of fire with the use of grenade throwers continues there. It is yet impossible to establish who controls separate districts of the city.

Telephone communications between the outskirts and the centre of the city has been disrupted. Residents of Groznyy are concerned over the lack of information about what is happening. For the second day the authorities do not issue exhaustive information, limiting themselves to brief statements.

Groznyy television went on the air on Tuesday only to make calls to militants to come to their senses and to accuse them of plunder. Nothing was said about what is happening in the Chechen capital, about the situation in other districts of the republic and about how the residents should behave in this situation.

It is from broadcasts of Russian television that local residents learned that Doku Zavgayev, the head of the republic, is on the positions of federal troops in the territory of the Groznyy airport.

The situation is particularly difficult in districts where there is no electricity and where people cannot watch TV programmes from Moscow. In these conditions, local radio could have transmitted statements of Groznyy authorities, but it is silent. At a time when Chechen officials fail to supply citizens with objective information, Movladi Udugov, the chief ideologist and "information minister" of the separatists, staying in highlands, finds an opportunity to give interviews to the world's leading information networks and to present the events in the light favourable for separatists.

OSCE assistance group in Groznyy issued a statement saying the peaceful population suffers from the fighting in the Chechen capital. OSCE mission condemns the use of force for coping with the conflict. These actions and their consequences merely increase the scopes of the conflict, create a serious threat for peace process in Chechnya and are a violation of the Moscow and Nazran accords.

Russia: Groznyy Situation Said 'Under Control'

MM0608162196 Moscow IZVESTIYA in Russian 7 Aug 96 p 2

[Report by Viktor Litovkin: "Military Return Fire and Call Assault Death Throes"]

[FBIS Translated Text] On Tuesday morning subunits of gunmen took all transportation lines and intersections in Groznyy under their control. Intensive combat actions are going on in certain areas of the city. INTERFAX has reported this, citing the gunmen's main staff.

According to the main staff statement, armed opposition subunits entered the city "to conduct a special operation

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to neutralize the actions of the occupying Russian Federation troops." From what the representative of the headquarters said, the combat actions in Groznyy are of a "confined nature," and the Russian subunits in blockhouses and commandant's offices, as well as in localities outside the combat zone, were asked, for safety's sake, not to leave the territory where they are stationed. At the same time, the gunmen, so they maintain, did not open fire and called on the servicemen of the federal forces not to undertake such actions in respect of the opposition's subunits either.

The command headquarters of the unified forces in Chechnya has information at its disposal to the effect that the attack on Groznyy was carried out on the orders of Zelimkhan Yandarbiyev, leader of the Chechen separatists. Igor Melnikov, chief of the headquarters press center, has stated this to INTERFAX. From what he said, around 200 gunmen are participating in the provocation. Their aim is to seize the Chechen government building in the center of the republic's capital.

Melnikov noted that the gunmen have seized dumps in the area of the railroad station, but they have been cut off by the forces of the Chechen Ministry of Internal Affairs and the Russian Ministry of Internal Affairs internal troops. He also reported that a decision has been adopted not to bring extra troops into the Chechen capital. "There are sufficient forces in the city to suppress the gunmen," the chief of the press center said.

The Russian Armed Forces General Staff has also reacted fairly coolly to the report about fighting on the streets of Groznyy. "Nothing terrible is happening there," one general, who did not wish to see his name in the newspaper, told us. "The gunmen have already been cut off. They will gain no advantage from their operation except for a political fuss. This will be one of their last attacks," he stated. "Furthermore, the Army is practically not taking part in clamping down on this provocation. It is the Ministry of Internal Affairs internal troops who are involved in this."

In accordance with Russian Presidential Edict No. 1330 dated 29 December 1995, the Ministry of Defense has reported, the overall leadership in ensuring security, legality, the rights and freedoms of citizens, the protection of public order, the fight against crime, and the disarmament of unlawful armed formations on the territory of the Chechen Republic has been entrusted to the internal affairs minister. His troops must also solve the problem of the elimination of gunmen who enter the city, Arbat Square [the Defense Ministry] informed me.

At the same time, from what the army general said, there is practically no hope of the complete elimination of the opposition's combat detachments that break into the city. Evidently combat operations will continue to one degree of intensity or another, in the opinion of my interlocutor, until dusk, and then the gunmen will abandon their weapons and leave the encirclement. "If they are not carrying a rifle you will not be able to tell them apart from civilians," the General Staff representative said. They (that is, the gunmen) infiltrate Groznyy dressed as civilians, with a passport and a permit, and then get hold of some hidden weapons and start shooting. That is exactly what happened in March of this year, when gunmen tried to seize Groznyy.

But the March scenario, whereby the gunmen were able to fight for several days in the city, will not be repeated now. This is what Chechen Prime Minister Nikolay Koshman stated in a telephone conversation with IZVESTIYA correspondent Aleksandr Chuykov. From what he said, individual groups of gunmen are trying to wreck the talks scheduled between the federal center and the separatist leaders. But "they will be eliminated in two to three hours or by evening at the latest," he said. "We are forced to do this."

Answering a question about the possible evacuation from Groznyy of Russian delegation leader Vyacheslav Mikhaylov and the official government representatives, Koshman answered without a moment's hesitation: "Why? We have just recommended that they should not fly out from Severnyy (the airfield near the city — Ed.)

The airfield where the Chechen leaders' residence is located really is very well reinforced. Apart from combat helicopters stationed on its landing field, the 205th Motorized Rifle Brigade is located there, along with a great quantity of armored equipment, artillery, and Spetsnaz units. IZVESTIYA managed to get in touch with some representatives of the Military Prosecutor's Office working in Chechnya. They reported that it really is quiet in the area of the Severnyy airfield, but there is fighting going on in Groznyy itself. According to certain reports (which have not been confirmed yet), the gunmen are in full control of the city of Argun (15 km from Groznyy) and are fighting in Gudermes (25 km from Groznyy).

According to Colonel General Anatoliy Shkirko, commander of the internal troops, "the situation in Groznyy is under the control of the command of the grouping." At the same time, individual observers are noting that there is once again no interaction between the army and internal troops operations. And this present bold operation to enter Groznyy is more evidence of the fact that the gunmen have enough strength, skill, and will to dictate their will on the unified command. And there can be no military solution to the Chechen problem. Evidently the Kremlin is unwilling to understand this at all

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and is delaying the visit to Chechnya by a top state official for no reason. Security Council Secretary Aleksandr Lebed's visit above all.

Russia: Chechen Rebels Said Responding to 'Aggression'

MM0608155596 Moscow IZVESTIYA in Russian 7 Aug 96 pp 1, 2

[Report by Valeriy Yakov: "Street Fighting in Groznyy. Gunmen Dedicate Assault to President's Inauguration"]

[FBIS Translated Text] The attack by Dudayev gunmen on Groznyy's key facilities did not happen spontaneously. This operation was planned in advance, and its implementation is linked to federal forces' activities in southern Chechnya and the Russian president's upcoming inauguration. This was reported to IZVESTIYA by a field commander whom our correspondent managed to contact by telephone.

It proved easier than could have been imagined to get through to field commander Rezvan. According to Rezvan the men under his command are not participating in the combat operations in Groznyy because, according to the existing action plan, his detachment is responsible for another populated area. The gunmen are following the development of events in the Chechen capital not only from television items, which they do not miss (although they watch them more for entertainment), but also from radio communications with the detachments operating in the city and with headquarters. If Rezvan is to be believed, so far the development of events fully satisfies the Dudayev side and the need to bring in additional forces does not arise. The gunmen have approached whatever key facilities they wanted to, taken up positions there, and practically paralyzed the city. Moreover, there was no need to move in regular columns to the two central points — the railroad station and the central market area located near the government buildings. It turns out that the assault teams penetrated here in advance unhindered — in broad daylight and without any problems they took up positions in empty, destroyed high-rise blocks and started waiting for the signal. It was given at dawn, when checkpoints usually lose vigilance and soldiers, tired from the night's tension, fall asleep. According to the field commander — and this naturally requires verification — as a result of the morning attack over 10 federal forces armored vehicles were knocked out and dozens of soldiers were killed and wounded. So far the Dudayev side has lost only a handful of men, and even these are mainly wounded.

I have grave doubts about this information's reliability, but there is nobody to verify it since the official side is staying silent and by all accounts has an even worse grasp of the situation. At any rate, comments on the events by members of the government commission to settle the conflict look even less convincing and packed with information, but this is not surprising if we recall that the commission is billeted not in Groznyy itself but at the military airfield in Khankala.

As regards the motives for the armed action, according to the field commander it was prompted by the federal forces' ceaseless aggression in southern Chechnya, where one village after another has been subjected to artillery bombardments, bombing raids, and cleanup operations. Given these military operations, there is a rather strange air about the Russian side's criticisms that the peace talks are being wrecked by Dudayev supporters and that Maskhadov is stubbornly refusing to meet with Kvashin. Incidentally, at a meeting with journalists before they flew out to Chechnya members of the Russian government commission were simply unable to explain coherently whether they and the military were singing from the same hymn sheet. And whether there is also complete disunity and lack of coordination on the federal side, amid which some — in the person of the government commission — are making every effort to settle the conflict peacefully, and others — in the person of federal forces and Comrade Zavgayev, their ideological inspiration — are doing all they can to continue the war until the last gunman has been wiped out.

According to Rezvan another reason for the Dudayev supporters' increased activity is the Russian president's upcoming inauguration. "We met him halfway during the election in the belief that he would actually stop the war in Chechnya, and we not only ended combat operations but also even allowed the presidential election to be held on our own territory. But it turns out that Yeltsin deceived everybody: As soon as he won the election he immediately forgot about our war and does not notice the daily bombing raids. Now we too want to spoil his party and remind all his guests that the war continues. And that Chechnya will never submit to force."

Rezvan refused to name the populated area to which his detachment is to be sent. He merely let it be known that it is not Argun, where, judging from reports, fighting is going on too. But he assured me that we would soon hear about his men as well, who will take the point allocated to them without any problems either.

This promise of his did not seem boastful to me personally because a little over a week ago in a field commander's home in southern Chechnya I well remember seeing maps of Groznyy, Argun, Shali, Gudermes..., on which all federal forces' locations were marked in detail. Reports about the slightest changes in these locations

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came in practically every day because the gunmen went around completely unhindered everywhere — from forest tracts to the square outside the government building in Groznyy. True, without weapons in this crucial place, but only for the time being. Judging from yesterday's events, that time has now come. The words of Khunkar Israpilov, spoken to me a week ago, that plans for operations to capture any Chechen city had been worked out long ago and could be put into operation at any moment without any particular effort, proved to be not just words.

Russia: OSCE Official Blames Rebels for Thwarting Chechya Peace Process

LD0608152596 Moscow INTERFAX in English 1503 GMT 6 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 6 (Interfax) — Head of the OSCE [Organization for Security and Cooperation in Europe] assistance group in Chechnya, Swiss diplomat Tim Guldimann has placed responsibility for the sharpening situation in this North Caucasian republic on the separatists. He expressed doubt regarding a possible meeting between commander of the North Caucasian military district Gen. Anatoliy Kvashnin and chief of headquarters of the armed opposition Aslan Maskhadov in a telephone interview with Interfax.

"There is no talking now about any direct contacts between representatives of the federal authorities and the armed opposition: fire is heard in Groznyy, near the OSCE mission as well. There is a question whether it is possible to create conditions for such contacts," Guldimann said.

Chechen fighters, about 300 in number, are reported to have penetrated the Chechen capital. They attacked government, police and other buildings.

To this effect, Guldimann said, the OSCE assistance group voiced a special statement in which it condemned use of force to solve this conflict.

"These actions and their consequences only increase the scales of the conflict and create a serious threat for a peace process in Chechnya though the grounds for it were laid in Moscow and Nazran," the statement says.

"This action violates the Moscow and Nazran agreements," the statement says.

"While maintaining contacts with all participants of the conflict the OSCE assistance group hopes for an immediate cease-fire in the city of Groznyy, creation of conditions for a negotiation process and proposes its services for further constructive steps," says the statement voiced by Guldimann.

He attracted attention to the fact that earlier both parties stated impossibility to solve the conflict in Chechnya by military means.

"If this is true then it is necessary to talk with each other. In principle there is always an opportunity for contacts. However, the conditions for direct contacts have become rather difficult this evening as far as one can judge," Guldimann said.

He restrained from placing the responsibility for sharpening situation in Chechnya privately on Maskhadov and leader of self-proclaimed Chechen Republic of Ichkeria Zelimkhan Yandarbiyev, saying there is no certain proof. However, it seems they are appearing, he said.

According to Guldimann, there is no direct threat to the lifes of employees of the OSCE mission in Groznyy. However, he recognized that it is not safe to stay in Groznyy now. "We hope that we shall be able to continue our work and to play the role which may have a very important significance even in this situation," Guldimann said.

"I do not say that everything is O.K. If there is shooting in Groznyy, if people are dying then it is impossible to speak about optimism," Guldimann said.

Russia: Lebed Not To 'Exclusively' Use Coercive Means in Chechnya

LD0708124396 Moscow INTERFAX in English 1228 GMT 7 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 7 (Interfax) — Russia's Security Council does not intend to solve the crisis situation in Chechnya "exclusively by coercive measures," Secretary of the Security Council Aleksandr Lebed said in Moscow Wednesday.

"Despite the bloodshed at the guilt of the Chechen opposition in Groznyy, the Security Council does not intend to solve the sharpening crisis exclusively by coercive methods though leaders of the illegal armed formations force us to do this," he said.

Lebed said the Security Council long ago "started work" on organizing an urgent congress of representatives of the Chechen people which would convene delegates "of different religions, from all populated centers, public associations and parties irrespective of their political belongings." A chance to attend the forum will be granted both to supporters of Chechnya's Moscow-backed leader Doku Zavgayev and to those who support rebel leader Zelimkhan Yandarbiyev.

"Finally, the main idea is to create a sound foundation for a wide discussion of peace variants to solve the

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problem instead of an atmosphere of exhaustion and bitterness," Lebed said.

At the same time Lebed said that "any good beginnings are possible only in the presence of a categoric condition of an urgent withdrawal of fighters from Groznyy and cease-fire. Otherwise, the army will undertake adequate measures in the situation of war completely understanding that the time of negotiations will be postponed for the future," Lebed said.

Russia: Mikhaylov Keeping Chernomyrdin Briefed on Chechen Situation

LD0608180196 Moscow INTERFAX in English 1755 GMT 6 Aug 96

[FBIS Transcribed Text] GROZNYY, Aug 6 (Interfax) — Russian Nationalities Minister Vyacheslav Mikhaylov, head of the federal delegation at Chechen peace talks, spoke with Russian Prime Minister Viktor Chernomyrdin over the telephone Tuesday evening from Groznyy, for the second time today.

Interfax has learned that Mikhaylov informed Chernomyrdin about the situation in the Chechen capital, where clashes with rebel forces have been underway since morning. Mikhaylov described the situation as difficult but said it is under control.

According to him, rebels have been preparing the action for a long time, which is why they had refused to resume talks with the federal delegation that arrived in Chechnya.

The rebels attempted the "insane storm" of Groznyy in order to discredit the Chechen government headed by Doku Zavgayev, which has begun to strengthen its influence in Chechnya lately, said Mikhaylov.

He also told Chernomyrdin that the federal forces are not carrying out active combat operations in order to avoid civilian casualties.

The federal delegation will remain in Groznyy until the situation is completely clear, said Mikhaylov.

Russia: Zavgayev Claims Chechen Opposition's Action 'Stalled'

MM0608184696 Moscow ROSSIYSKIYE VESTI in Russian 7 Aug 96 p 1

["Exclusive" report by Pavel Anokhin on interview with Doku Zavgayev, head of the Chechen Republic; place and date not given: "Gunmen's Provocation Stalls"]

[FBIS Translated Text] Five armed groups numbering 30-50 men each, having penetrated Groznyy early in the morning, tried to break through to the areas of the republic's Government House, Central Market, and railroad station. The Kredobank building was also attacked.

Commenting on the situation especially for ROSSIYSKIYE VESTI, Doku Zavgayev, head of Chechnya, stressed that the situation in the republic and its capital is under control. Through the joint efforts of Chechen police and federal forces subunits the bandit formations' actions were repulsed and the gunmen localized. In Zavgayev's opinion the facilities attacked by the so-called resistance forces testify above all to the criminal aims of the actions undertaken, which were aimed at looting food depots.

"Unfortunately bandits are bandits and they have shown their true colors yet again. They refuse to see everything that is being done by the republic government to restore peace and accord among Chechens and to revive the republic," he said. "To do this we have declared a virtually complete amnesty for separatists, and we invite representatives of all population centers to open talks. But the Chechen separatists' leaders are evading them and are trying to wreck the talks, accusing the official authorities of this."

In Zavgayev's opinion most of the population are tired of the war and have returned to their peacetime occupations, which does not suit the [separatist] leaders. "The ground is clearly being cut from beneath their feet and their authority is melting like snow in spring," the head of the Chechen Republic believes. "To revive it and strengthen their positions they are trying to mount large-scale combat operations and exacerbate the situation in the country." But "the action was met with fire from federal forces and it stalled."

Russia: Kremlin Still Seen Lacking Clear Policy in Chechnya

MK0708105596 Moscow NEZAVISIMAYA GAZETA in Russian 7 Aug 96 p 1

[Report by Ilya Maksakov: "The Inability To Resolve the Chechen Problem Has Led to New Victims. Fighting in Groznyy Has Shown That the Russian Leadership Lacks a Coherent Policy Line"]

[FBIS Translated Excerpt] Yesterday's fighting in Groznyy and other populated areas in Chechnya compels, yet again, a skeptical view of statements by representatives of the Russian leadership and Groznyy authorities that "peace has come to the republic." The huge flow of conflicting and spontaneous reports from numerous sources points to the following picture of yesterday's events.

In the morning Groznyy was penetrated by separatist fighters whose strength, according to different accounts,

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varied from 100 to 600 men. It is impossible to tell how successful their raid or action by the federal forces was. Meanwhile reports came in saying that the Russian troops kept the situation fully under control; that the groups of gunmen were localized, and a temporary cease-fire was achieved; or that, quite the contrary, there was fierce shooting and a resumption of hostilities. It is clear, however, that in all parts of the city, including in the center, fierce clashes occurred comparable to analogous action by separatist fighters this past March. Furthermore, there was an active exchange of fire in Argun, and, according to the separatists headquarters, the gunmen took control of the second largest Chechen city of Gudermes virtually without a fight. Moreover, part of the local police apparently went over to the separatists' side with their weapons. Representatives of the federal forces did not confirm that statement. [passage omitted]

Zelimkhan Yandarbiyev's involvement in the actions of his formations remains unclear. The military and Ruslan Tsakayev, Zavgayev's Security Council secretary, are saying in one voice that the separatists' raid was organized on direct orders from Yandarbiyev and was led by Aslan Maskhadov. Sources at the separatists' headquarters said that opposition units entered the city to conduct a special operation to neutralize the actions of federal forces. Yandarbiyev's aide, Akhmed Zakayev, said that "the special operation has a local character and can in no way affect the process of the peace settlement in Chechnya." At the same time, according to Zavgayev's representative in Moscow, Isa Aliroyev, Zakayev denies the Chechen leaders' involvement in the Groznyy action, considering it an attempt by "intransigents" to scuttle a meeting of two delegations scheduled for that day.

Be that as it may, the State Commission on the Chechen Settlement demanded that Zelimkhan Yandarbiyev condemn the actions by field commander Ruslan Gelayev, who was in charge of the operation. Otherwise the Russian authorities threatened to halt the negotiations and to find interlocutors among influential Chechen teyps [clans].

At the same time it became clear that the Chechen armed formations are more than capable of seriously affecting the situation in the republic. All statements about the situation being fully under the control of federal troops and the Groznyy authorities are losing all credibility but persist notwithstanding. The military has once against demonstrated its helplessness and shown that the deployment in Chechnya of a huge military armada is incapable of bringing about peace.

In any event, the impression is that the protracted vacation by the Russian president; utmost reluctance by both Prime Minister Viktor Chernomyrdin and Security Council Secretary Aleksandr Lebed; and the absence of an official opinion about the war and peace in Chechnya on the part of the new defense minister, Igor Rodionov, have let the situation drift again. Having left the troops to fight the separatists with all available means and at the same time declaring the aspiration for peace and the resumption of peace negotiations, the federal center has, to all effects and purposes, dissolved and ceased to exist in the sense of administering the process of peace or war. Meanwhile the statement by Sergey Stepashin that the Russian leadership will no longer negotiate with the separatists points to nothing more than dismay.

Russia: Chechen Official Says OSCE Mistakes Worsened Situation

LD0708104696 Moscow INTERFAX in English 1022 GMT 7 Aug 96

[FBIS Transcribed Text] GROZNYY, Aug 7 (Interfax) — The miscalculations of the OSCE [Organization for Security and Cooperation in Europe] mission in Chechnya caused the aggravation of the situation in the republic, press secretary to Chechnya's head Ruslan Martagov told INTERFAX Wednesday [7 August].

Martagov said the leadership of the OSCE mission oriented itself toward those leaders of the opposition who sanctioned the attack against Groznyy, where people are dying now, but did not negotiate with all influential forces of separatists in order to peacefully solve the conflict.

The separatists have "successfully" chosen their moment for a provocative armed action in the Chechen capital, he said. "The delegation of the State Commission for Chechen Settlement is in the republic now and the separatists are now demonstrating their force, following quite definite political goals," Martagov said.

Economic Issues

Russia: Government Seen Pulling Back on Yeltsin Campaign Promises

MK0608130896 Moscow SEGODNYA in Russian 6 Aug 96 p 1

[Report by Elmar Murtazayev and Dmitriy Volkov: "The Kremlin Places Electoral Pledges Under Austerity Regime. The Authorities Are Preparing a Surgery Worth $10 Billion"]

[FBIS Translated Text] The promises made and benefits granted by the Kremlin during the election campaign

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turned out to be an unbearable burden for the Russian budget. Faced with the prospect of a grave financial crisis, the authorities are planning to suspend a number of the costliest presidential edicts and directives as well as government decrees. A draft edict "On Urgent Measures To Comply With the Austerity Regime" is being finalized. The task force set up for this particular purpose — the Operational Staff To Stabilize the Economy — consists of perhaps today's most authoritative government specialists and experts from semi-governmental agencies engaged in drawing up general economic guidance.

The upcoming decisions will be extraordinary in terms of scale. This applies to its cost: By some estimates, the overall amount of funds that could be kept in the treasury or received as budget revenue reaches $10 billion. The planned steps are even more extraordinary in terms of the acute conflict of interest they are bound to cause. The funds that the treasury is planning to get or save will ultimately have to be lost by many industries, enterprises, and regions that profited from the electoral largess.

The ongoing struggle over the draft presidential edict "On Urgent Measures To Comply With the Austerity Regime in the Process of Executing the Budget in the Second Half of 1996" cannot be interpreted as a conflict between the advocates and opponents of these measures per se. Virtually no one has any doubts as to the fact that a collapse of the financial system cannot be avoided unless the unbearable costs pushed through by various lobbyist groups are slashed. In fact, the struggle, which is typically Russian in its backroom-staff nature, focuses mostly on appendixes to the edict that contain specific lists of regulations benefiting specific industries, enterprises, and regions. Standing behind the specific beneficiaries are, again, fully specific persons — because Russia lacks a transparent system for granting benefits "in an authorized fashion" that would be amenable to public discussion and adjustment. Therefore, the issue is first of all which patrons are no longer capable of defending the interests of their clients and which — often regardless of their client's worth — remain indestructible at any stage of the financial crisis, up to an ousting of the ruling regime.

Therefore, the work to draw up the "black list" of the costly decisions that should be rescinded or frozen in order to avoid a budget catastrophe effectively lines up domestic lobbyists according to their clout. In should be said that in the absence of legislation rendering lobbyism a perfectly legal profession, this behind-the-scenes lining up could cut off at least a portion of these groups that take interest in government funds, though this might not be perceived as "fair." Upon comparing the initial and final "black lists" one will have ample grounds to get down to compiling a reference book to be entitled "Who Is Who in the Russian Corridors of Power."

In these corridors, a system of relations between the lobbyists and the state treasury has already taken shape. As a rule, there are the lobbyist per se, his patron, and a specific bureaucrat who makes the final decision on the basis of reasons cited by the former two. The reasons can be most diverse in nature, and do not necessarily have to be "economically motivated," because they are intended exactly for the "senior official," not the economic public or the taxpayer. In exceptional cases, these can be senior officials of such magnitude that they are immune not only to public or prosecutorial scrutiny, but they are even outside departmental control. Such incidents are rare, but windfall profits have particular attraction, for which reason financial flows mainly tend toward the channel passing through the Kremlin, not the House of Government.

Probably for this very reason the bulk of the funds lost to the government treasury during — but not only — the election campaign falls on presidential edicts and, therefore, the staff of the head of state. This most convenient way of getting access to state resources also became the easiest one during the first half of this year, because the administration had a fully logical strategic objective — to ensure a victory in the elections for the incumbent president. Any costs that could help win the support of influential industrialists and regional bosses looked justified and even necessary.

If Anatoliy Chubays, current presidential head of staff, fulfills his promise not to duplicate the work of the government, domestic lobbyists could be presented with an unpleasant change in the direction of financial flows. Who will be able to adjust themselves to the new environment first — the treasury or the lobbyists — will largely depend on the quantity and influence of professional economists in the new, "working" government lineup, as the prime minister described it.

It is more or less clear that getting (keeping or reclaiming) the entire amount of $10 billion would hardly be possible. The Operational Staff's efforts could be judged to be a success if they help to earn at least half the sum. But if the presidential edict on austerity measures is signed and, which might be even more important, if the appendixes to it retain their scale after the end of the struggle currently under way over them, the authorities could be congratulated on creating a crucial precedent in the struggle with "wild" domestic lobbyism. This decision will not render lobbyism in Russia more civilized, nor will it untie the knot of nonpayments, which by

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the way was created largely due to lobbyists' efforts. The edict, however, which essentially is an example of simple surgery, not "shock therapy," could create solid prerequisites for resolving these problems.

Russia: Shadow Economy Approaching 40-50 Percent of GDP

MM0608145096 Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 16

[Report by Yuliya Afanasyeva: "Out Into the Open? Shadow Capital Plays a Significant Role in the Russian Economy. How Should the State Treat It? Destroy It or Legalize It?"]

[FBIS Translated Text] ...The minister's intelligent eyes looked out of the television screen at me and his lips pronounced the usual incantations: "The Russian economy needs substantial investment." Switching channels, I found another equally expressive face, also belonging to a very high-ranking official: "The only way out of the crisis lies in major investments of foreign private capital." This was followed by an interview with the deputy of yet another minister: "We need to place our hopes primarily on the Russian investor."

So where should the fertile rain of investment be expected to come from? Because there is indeed no argument about its necessity for our own industries and also for our own agriculture. But what about science? And education? And medicine? There are indeed a few other areas where funds attracted into the country's economy could be used effectively. But opinions differ on how to attract them. Some people are wholly insistent on foreign investment but others, while not denying the usefulness of this source, put their money on internal resources.

"Russia, which is rich in natural and human resources, should not be competing with Latin American countries for foreign capital — healthy economies always rely on internal sources of financial resources," Doctor of Economic Sciences Vladimir Ispravnikov, one- time leader of the Higher Economic Council of Russia and now vice president of the Free Economic Society, says.

It was possibly this conviction which triggered his initiative for holding a Moscow scientific conference "The Shadow Economy (Economic, Social, and Legal Aspects)" in conjunction with the Soros Foundation.

Indeed you would think there was a lot to be said about the concealment of income to avoid taxation and the high degree of criminalization of the entrepreneurial sphere. But the experts are still pretty timid about defining the shadow economy as a phenomenon with all the ensuing consequences. And heaven knows why! Because, as the work of the conference showed, ample factual and analytical material has been accumulated on this burning topic to not only hold scientific discussions but also to adopt decisions at government level.

What is the link between investment and illegal and semi-legal business? According to experts from the "Reforma" international foundation, in 1995 the disparity between the official figures for gross accumulations of fixed capital and reported data for capital investment totaled around 205 trillion rubles (more than $43 billion). There can be no doubt that a large proportion of this sum consists of shadow-economy capitalists' turnover. And if you add to this the leakage of capital through other channels (so-called money hidden "in socks" and so forth), you get a reserve of internal investments of the order of at least $50 billion.

As yet this sum is out of reach of the state purse. Yet this is not "dead money" but money in circulation!

Like a warrior at a fork in the road, the businessman, half-stifled with taxes, is faced with three choices. If you turn left you will have to shut down your "business" and transfer your capital abroad. If you turn right you have to get yourself benefits and quotas, except that officials have to be paid for all that kind of thing. Straight ahead and you have to be prepared to evade taxes and switch to noncash transactions and also to allow for the fact that if something happens you will have to approach not organs of justice (you have been evading taxes, after all!) but criminal structures. Many choose "straight ahead."

In general, according to Vladimir Ispravnikov's data, the proportion of Russia's gross domestic product for which the shadow economy accounts is assessed at 40-50 percent (slightly less than in Colombia and Bolivia...), which is the critical figure. The informal sector is starting to have such a tangible influence on all economic activity that its "tracks" can be seen in all spheres of society's life.

Russia: Deputy Finance Minister on Regulations To Increase Tax Take

LD0608174096 Moscow ITAR-TASS in English 1706 GMT 6 Aug 96

[By Gennadiy Yezhov and Natalia Kosareva]

[FBIS Transcribed Text] MOSCOW, August 6 (ITAR-TASS) — In an effort to collect more taxes and regulate cash and noncash turnover, the Russian government is now working on a number of regulatory enactments that will set things straight, First Deputy Finance Minister Andrey Vavilov declared today.

He told the Cabinet meeting on Tuesday that tax revenue in the first six months of this year amounted to 82

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trillion roubles or only 63 percent of the target, and if the present trend persists, the federal budget deficit will reach 88 trillion roubles by the end of the year. He stressed the necessity to "gradually but quite rapidly liquidate all noncash taxes and impose control by the tax bodies over the major enterprises which fail to pay taxes." He called for special government efforts to "change the attitude of the tax payers to the payment of taxes."

These efforts, according to Vavilov, will include a presidential decree on a special procedure of financial transactions with the nonpaying enterprises, a ban on cash settlements between all enterprises, a ban on offset operations where wholesale transactions involve alcohol and alcoholic beverages, constraints on barter transactions and the introduction of a single account for all enterprises.

Vavilov who was presenting a report to the Cabinet on the social and economic development of the Russian Federation and the execution of the federal budget for the first six months of this year, noted that tougher disciplinary measures will be introduced to take care of payments towards the budget and discontinue the provision of benefits that run counter to the law on the budget.

According to the Finance Ministry information, the tax revenue for the first six months of this year amounted to a mere 58.9 percent of the target. He said the worsening of the financial climate resulted in the nonpayment of 60 trillion roubles towards the budget as of July 1, 1996.

Vavilov expressed confidence that the future growth in the collectibility of taxes and other payments towards the budget would make it possible to lower the level of government borrowing on the domestic financial market and raise the effectiveness of government spending.

Russia: Central Bank Could Intervene To Keep Ruble Peg

MK0608122496 Moscow SEGODNYA in Russian 6 Aug 96 p 1

[Unattributed report: "The Central Bank Could Resort to Ruble Interventions on the Currency Market"]

[FBIS Translated Text] Experts predict that the Central Bank of Russia will undertake ruble interventions on the currency market in the second half of 1996. The report of the Russian Government's Working Center for Economic Reform says: "One can expect that the inflow of capital in foreign currency could increase considerably in the second half of the year. The Central Bank will have to resort to large-scale ruble interventions in order to keep the dollar's exchange rate within the announced exchange rate band. The extra money supply will give a boost to the demand for state securities, while interests rates will begin to go down, particularly on short-term investments. This will generate interest in long-term investment."

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International Affairs

Ukraine: Karimov Meets Kuchma in Crimea, Departs for Tashkent

LD0708090196 Kiev Ukrayinske Radio First Program Network in Ukrainian 0400 GMT 7 Aug 96

[FBIS Translated Text] Ukraine and Uzbekistan are cooperating fruitfully in many fields and implementing joint projects successfully. This was stated yesterday at a meeting in Crimea between Ukrainian President Leonid Kuchma and Uzbek President Islam Karimov, who was here on holiday at the invitation of the Ukrainian head of state. The two presidents expressed mutual satisfaction with the development of their countries' relations and discussed future cooperation.

The Uzbek president left yesterday for Tashkent.

Ukraine: Udovenko for Joint Ukraine-Russia Presence at Sevastopol

LD0608134596 Moscow INTERFAX in English 1208 GMT 6 Aug 96

[FBIS Transcribed Text] KIEV, August 6 (Interfax-Ukraine) — In settling the Black Sea Fleet issue, an agreement should be reached on a simultaneous naval presence of Russia and Ukraine at Sevastopol, Ukraine's Foreign Minister Gennadiy Udovenko declared at a news conference in Kiev today.

He reported that during his recent visit to Moscow he had suggested holding a number of meetings at different levels, first and foremost a brief summit upon Ukrainian President Leonid Kuchma's arrival in Moscow for Russian President Boris Yeltsin's inauguration, slated for August 9.

"We hope the presidents will be able to discuss ways of completing the Black Sea Fleet negotiations since the incompleteness of the talks somewhat slows down bilateral ties," Udovenko declared.

A statement released by the Ukrainian Foreign Ministry, says that during his visit Udovenko "reiterated Ukraine's intention to lease the naval base at Sevastopol to Russia."

However, it stresses that Russia's desire to turn Sevastopol into an exclusive Russian naval base is unacceptable for Ukraine.

"Talks may concern exclusively the joint presence of both fleets at Sevastopol, a presence that does not contradict the Sochi accords," the document says.

The minister also reported that Ukraine had sent an invitation to Russian Prime Minister Viktor Chernomyrdin to visit Kiev to coincide with a second session of the joint Russian-Ukrainian Commission. Udovenko said that to prepare this meeting Ukrainian and Russian experts will check compliance with the agreements reached at the first session.

In addition, Ukrainian Prime Minister Pavel Lazarenko plans a formal visit to Moscow.

Ukraine would also welcome a meeting of naval experts to discuss terms for a Russian naval presence in Ukraine. However, such a meeting would hardly make sense before a political decision on the issue, Udovenko argued, suggesting that the National Security Council leaders, Vladimir Gorbulin of Ukraine and Aleksandr Lebed of Russia, and presidential administration chiefs Dmytro Tabachnyk and Anatoliy Chubays would have separate discussions on the issue.

Ukraine: Kiev Insists on Making Potential NATO Members Nuclear-Free

LD0608120796 Moscow INTERFAX in English 1149 GMT 6 Aug 96

[FBIS Transcribed Text] KIEV, Aug.6 (Interfax-Ukraine) — Ukraine will make every effort to prevent the emergence of nuclear weapons on its borders, Ukraine's Foreign Minister Hennadiy Udovenko told a press conference in Kiev Tuesday [6 August].

Ukraine is alarmed that nuclear weapons may appear in the countries which are seeking admission to NATO, he said.

Noting that "Central and Eastern Europe" is a broad concept, he said that in Ukraine's opinion a nuclear-free zone, including NATO's potential members, might be created.

The main talks on the creation of a nuclear-free zone in Central and Eastern Europe on Ukraine's initiative will be held with the NATO members "because it's NATO, not the potential members, that is advancing membership terms," he said.

The talks might have various formulae, he said, including at the level of experts, or representatives of the NATO committees, and by a 16 " 1 formula, he said.

He confirmed the statement made during his visit to Moscow that Ukraine, as a state not affiliated with any blocs, is not seeking membership in NATO. He told the press conference at the same time that Ukraine will continue to cooperate with NATO which is an alliance of democratic states.

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National Affairs

Ukraine: Constitutional Democratic Party Congratulates Kuchma

LD0608134496 Moscow INTERFAX in English 1121 GMT 6 Aug 96

[FBIS Transcribed Text] Kiev, August 6, (Interfax-Ukraine) — The Political Council of the Constitutional Democratic Party of Ukraine has congratulated the Ukrainian President, the Parliament Speaker, the Head of the Presidential Administration and the Prime Minister on the fifth anniversary of Ukraine's independence and wished success in performing their official duties.

An open letter to this effect has been faxed by the CCU to IF-U [INTERFAX-UKRAINE] today.

The message says that the Constitutional Democratic Party of Ukraine regards the Constitution of Ukraine as a stage in the institutional process launched on August 24, 1991 and considers it to be an interim instrument for the transitional period.

The CCU also supports the Presidential Decree on reform of the tax system, the paper says.

According to the message, the CCU will refrain from criticizing the Government until its program has been made public. The CCU hopes that "the government's would-be program will be free from any social-democratic populism, so burdensome to the national economy.

The Party intends to carry on work towards building capitalism in Ukraine, the letter says.

Ukraine: Kuchma Issues Edict on Constitutional Commission

LD0708093096 Kiev Ukrayinske Radio First Program Network in Ukrainian 0400 GMT 7 Aug 96

[FBIS Translated Text] Ukrainian President Leonid Kuchma has issued an edict on the Commission for Coordinating Measures to Implement the New Ukrainian Constitution and appointed its members. One of the commission's primary tasks is to provide systematic analysis and comprehensive assessment of progress in the implementation of the Constitution in society, and decide on new legal acts to be drafted and approved now that the Constitution has come into force. The commission is headed by the president of Ukraine.

Ukraine: President Accepts Several Government Resignations

LD0608202596 Kiev UT-1 Television Network in Ukrainian 1800 GMT 6 Aug 96

[No video available]

[FBIS Translated Text] The Ukrainian president on 6 August signed a number of decrees. The Ukrainian president accepted the resignation of Nur Nihmatulin, first deputy chairman of the Ukrainian State Committee for the Use of Nuclear Power, and released Borys Demydyuk at his own request from the post of deputy chairman of this committee. The head of state also released Volodymyr Baryshnykov at his own request from his post as the first deputy chairman of the Main Department for Public Service under the Cabinet of Ministers of Ukraine. Viktor Shepotko, deputy education minister, was released in connection with his retirement.

Ukraine: Lessons of Adoption of Constitution Viewed

WS0708122096 Kiev HOLOS UKRAYINY in Ukrainian 2 Aug 96 p 3

[Article by Ukrainian Supreme Council Deputy Yuriy Orobets: "Lessons of the Constitutional Process in Ukraine"]

[FBIS Translated Text] In the wake of the Constitutional process, some mass media again are raising the all too familiar issue of the dominating role of the presidential team in adopting the new Ukrainian Constitution. As it turns out, the protracted political discussions and the strenuous reconciliation work on the text of the Constitution text in the Supreme Council did not play any role, while people's deputies simply feared the president's resolve. Given this scenario of events, it is necessary to concentrate on objective results of the constitutional process and identify certain lessons learned from the Constitutional debate in Ukraine.

Lesson 1. The new Ukrainian Constitution was adopted owing to, or rather despite, political action taken by the Ukrainian president.

The president's Constitution team, headed by Deputy Prime Minister Oleksandr Yemets and Head of the Presidential Administration Dmytro Tabachnyk, adopted — in our opinion — a false political strategy from the very outset of the constitutional discussion.

In the media, leaders of this group had been persuading society for a long time that the adoption of the Constitution was impossible both in theory and in practice. They immediately came up with an idea to call a nationwide referendum by an illegal method.

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The first example proving that such tactics were erroneous is that 258 legislative deputies approved the draft Constitution in the first reading as a foundation. However, the presidential team continued to persuade itself and society that the constitutional problem could not be resolved by parliamentary and civilized means. To impede the constitutional debates in parliament, some government deputies — apparently following instructions — failed to show up in the session hall, while factions made up of the president's closest allies disrupted debates by refusing to register.

One of the culminating points displaying the main paradox of the constitutional process was a vote on a set of bills regarding the stationing site and status of foreign military bases and the national symbols. Some Rukh faction members, along with some left-wingers and government members, walked out of the vote. The same thing happened during the vote on the Constitution in its entirety.

Thus, the last stage of the constitutional discussion exhibited a lack of professionalism and political shrewdness by the presidential team. The recent Constitution-related events in Ukraine, unfortunately, prove that political cynicism is becoming a norm for the power elite.

Lesson 2. Ukraine once again proved its ability to settle complicated political problems in a parliamentary and civilized manner.

The constitutional discussion was a clash not only of two different tactics for adopting the Constitution, but also of utterly different political concepts.

A solution proposed by the president's team provided for pursuing the post-communist path followed by all former Soviet republics (except for the Baltic states). It included establishing the president as the chief and dominating element of the political system and envisaged the president's unilateral putting to referendum his own draft constitution, not coordinated with other political forces.

A different concept allowed for drafting a politically and socially acceptable text of the Constitution in coordination with various political forces in the Supreme Council. The victory of the second option averted the possibility of social, political, and regional conflicts in Ukraine and demonstrated the European, as opposed to Eurasian, political traditions of our country.

Lesson 3. Ukrainian political parties did not have their own clear-cut political strategy or tactics in the constitutional discussion.

During the constitutional discussion, some democratically oriented parties supported the 11 March 1996 draft constitution devised by the Constitutional Commission. Curiously, however, program documents of most of those parties contain no provision about an uncontrolled presidential republic, a bicameral parliament, unilateral appointment (by the president) of all judges, a ban on party factions in the legislature and local self-government institutions, etc. Despite this fact, leaders of some national-democratic parties initiated and carried out a propaganda campaign to protect that draft.

Notably, the most vigorous activity in this area was displayed by Rukh, which simultaneously staged a campaign to collect signatures in support of the presidential draft of the Constitution and to ban the Ukrainian Communist Party [KPU]. At the same time, the Rukh leadership was the most ardent advocate of the president's position favoring the illegitimate adoption of the Constitution. Such destructive and politically harmful tactics were also typical of the KPU leadership. Tactics of filibustering and boycotting operations of the conciliatory commission, as well as the leftist initiative to hold a preventive referendum [against the Constitutional referendum proposed by Kuchma] would have provoked a social and regional conflict in Ukraine. Curiously enough, the Rukh and KPU initiatives calling for referendums on various issues could be boiled down to the same issues. Specifically, they include issues related to the national language, national symbols, and ownership. Thus, the tactics of the aforesaid political forces would have caused social conflicts.

At the same time, one should note a diversity of positions within the Socialist and Communist parties in the final phase of the constitutional discussion. All this provides grounds for predicting a split in the ranks of leftist parties and the emergance of preconditions for the rise of a Ukrainian movement of the left.

Lesson 4. The Ukrainian socioeconomic and political situation over the past year and during the constitutional debate proved that the existence of an uncontrollable strong presidency is not advisable.

As is known, the Constitutional Agreement set a rigid presidential model of state governance. On the other hand, an analysis of the Ukrainian sociopolitical situation shows few signs of improvement over this past period. Moreover, the only real consequence of the strong presidency has been the entrenchment of one regional group, the one from Dnepropetrovsk, in all power structures. All this allows speaking about irrelevant operations of an uncontrolled presidential office in a politically unstructured society.

Lesson 5. The constitutional discussion evidenced the absence of serious scientific and intellectual institutions capable of offering society an impartial

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analysis of the socioeconomic and political situation in Ukraine.

State scientific institutions conducted a propaganda campaign rather than providing expertise in adopting an optimal version of the Constitution. The nongovernment structures had, unfortunately, nothing to counter the "yes sir" nature of the constitutional discussion. An attempt by several analytical organizations to make public the real state of things in the constitutional process met with a virtually all-out mass media ban and was rejected by state and local government bodies.

Lesson 6. The constitutional discussion laid bare the real condition of Ukrainian mass media and proved the existence of state political censorship.

The present, already constitutional times in which Ukraine lives forced all participants in the constitutional process to speak on their previous political activities. It is interesting that advocates of the hostile and antiparliamentary method of adopting the Ukrainian Constitution have already declared themselves victors. However, despite all feverish efforts by anti-constitutional figures in Ukraine to prove their constitutional holiness, facts will always remain facts.

One can predict that the following issues will stand high on the Ukrainian political agenda in the immediate future:

— the problem of personnel changes in the presidential team. Leonid Kuchma will be forced to allow at least partial reshuffles in his own apparatus to restore his political authority;
— changes inside political parties. This applies primarily to structures whose leaders proved themselves complete political bankrupts. To survive politically, such parties will be forced to radically change their leadership and the nature of their political actions. This problem is most pressing for the Ukrainian Rukh and the Ukrainian Communist Party, which are now standing on the verge of a split;
— the new conditions of Ukrainian-Russian relations. It stands to reason that in the changed situation the "old-new" Russian president will certainly redefine his position toward Ukraine. However, President Leonid Kuchma, who decisively spoke against the amendment to Article 17 [banning foreign military bases on Ukrainian territory], will now have a hedge against Russian pressure at the negotiations on the Black Sea Fleet and Sevastopol.

It is absolutely clear that the adoption of the new Constitution produced a totally new political situation in Ukraine. The Ukrainian Basic Law drew a bottom line under the political standoff of national and state symbols and completely resolved the problem of legal support for the idea of building an independent, democratic state. Thus, the main problem now is how to fill the acknowledged independent state with socioeconomic content. One of the significant traits of present-day political life is that the center, where crucial political decisions are made, is moving from the presidential administration to the Ukrainian parliament; this is now becoming a fact.

Ukraine: Official Views Protection of State Secrets

WS0708070096 Kiev URYADOVYY KURYER in Ukrainian 30 Jul 96 p 6

[Article by Pavlo Mysnyk, chairman of the Ukrainian State Committee for State Secrets: "State Secrets Are Protected by Law"]

[FBIS Translated Text] *It is defined in the recently adopted Constitution that protection of Ukraine's economic and information security is the most important function of the state and a matter for all Ukrainian people. It is in this legal sphere that the Ukrainian State Committee for State Secrets organizes its everyday work.*

Certain journalists are asking the following question: Does the issue of the protection of state secrets exist in Ukraine? Of course, the issue is not about total isolation or "spy-mania," but about the protection of truly vital interests of the state in the main areas of its activities.

It is common knowledge that in the former Soviet Union Ukraine was a region in which particularly important defense industry facilities were concentrated and scientific research and design centers and institutions operated. Most of them are still operating, and their achievements are known not only in the military area, but also in such branches as space exploration, aircraft production, rocket production, metallurgy, radio electronics, etc.

It would be naive to believe that with the establishment of Ukraine as a sovereign state the development of the aforementioned areas stopped, and that foreign intelligence services' interest in modern achievements of the Ukrainian science and technology, the condition of the state's defense and security, and its foreign relations abated.

We live in the world of a severe competition for spheres of influence in the international arena, priorities in the science, military-technical, and economic areas, and a place on the world market. Therefore, the protection of our state's interests and secrets is an unalienable part of Ukraine's national security.

In particular, an important direction in the protection of secrets is the defense of the valuable science and

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technology achievements of Ukrainian scientists. As it is, a real threat that information concerning such elaborations and their results may escape is increasing, for example, in connection with a growing number of science and technology materials published in the open press. One cannot but take into account also the expanding international cooperation among scientific research and design institutions, some of which are searching for all kinds of possibilities to sell their achievements because of the lack of required financing, and do not always take into account both their current and future value for their country.

At the same time, I want to emphasize that in the aforementioned branch, as well as in other areas of state activities, our legislation presumes that information in not secret. And in areas in which priorities and special interests of the state prevail, including its defense, foreign policy, and economic interests, the current legislation is aimed at protecting them, and it sanctions Ukraine's information sovereignty and its right to introduce special rules for using and disposing of classified information, the main components of which are state secrets.

In the information sphere, this type of information represents a very small part, and concerns precisely defined areas of state activities such as defense, economy, foreign relations, state security, and the protection of law and order, which is directly envisioned in Article 6 of the Law "On State Secrets."

Simultaneously, the aforementioned article of this law prohibits classifying any information as a state secret if this would violate the constitutional rights of an individual and citizen or harm the population's health or security. It has been legislatively specified that information concerning a natural disaster, the environment, the population's health, illegal actions by state bodies and officials, etc., cannot be classified as a state secret. The state thus ensures an individual's right to obtain information, and simultaneously takes care of the protection of its interests in the primary areas of state activities. Additionally, official's responsibility for illegally classifying information as state secrets is envisioned.

I again emphasize that everything necessary is being done to objectively classify information as a state secret according to criteria based on an assessment of possible damage to the state's interests in case of an illegal escape of such information. Although these criteria already exist, scientific development is continuing in this area, and once it is completed it will be possible to ensure that state experts in issues concerning secrets have one scientifically substantiated method of making decisions to classify information. This will become the only guarantee for preventing illegal restriction of citizen's right to obtain information.

As we can see, the notion "presumption of no secrecy" is practically supported by our legislation.

We also remember that all restrictions concerning the use of information entail losses to the state itself, because it is impossible to use classified information in foreign economic, military-technical, and other relations with foreign states, not to mention the fact that the procedure of classifying, protecting, and declassifying information itself requires much effort of experts and even some expenditures.

It is common knowledge that in the former Soviet Union there was no special law on state secrets, and all legal relations in the area of the protection of secrets were conducted according to legally binding acts, the main one of which being the well-known Instruction No. 0126.

With the establishment of Ukraine as a sovereign and law-governed state and the expansion of freedom of speech in the country, a need to legislatively regulate legal relations in the area of the protection of secrets and create a fundamentally new system of their protection arose. The Law "On State Secret" became a legal basis for such a system, and with the adoption of this law many provisions of the Instruction No. 0126 became ineffective or contradicted the requirements of this law.

A need to urgently develop a mechanism for implementing the law and creating and ensuring operation of our own system of the protection of state secrets arose.

Of course, since it was unrealistic to create a final document in a short period of time, a number of normative acts ensuring the implementation of the Law "On State Secrets" had to be drafted.

It should be noted that the State Committee for State Secrets along with other interested state bodies timely drafted a package of normative acts which have already become effective, and are functioning and efficiently regulating legal relations concerning the protection of state secrets. Among these documents one could name resolutions and instructions defining and regulating a place and activities of entities performing their functions in the system of the protection of state secrets. In particular, activities of state experts in issues concerning state secrets, who are key individuals in this system, have been legislatively regulated. The role of secret protection bodies from ministries, departments, companies, institutions, and organizations have been defined. Precise rules for issuing permissions (licenses) to conduct activities connected with state secrets to institutions and organizations have been established. Rules

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of protecting state secrets in international contacts have been regulated, and a number of other legal acts have been issued, among which the "List of Information Representing State Secrets" holds a particular place.

The development of departmental lists of information representing state secrets, based on the aforementioned list and within its limits, is coming to an end. All of them are being coordinated with the State Committee for State Secrets, approved by state experts, and subordinated to the same goal: the protection of law abidance in activities connected with the protection of state secrets.

There are already grounds to state that the adoption of the aforementioned and some other legislative acts has made it possible to create our own system of state secrets, which is already operating at all levels. We are convinced that it is quite democratic, and at the same time it reliably defends the vital interests of the state.

Precisely realizing their role, place, and responsibility in this system, the State Committee for State Secrets personnel are exerting efforts to ensure the reliable protection of secrets, and do not stop searching for methods of preventing their escape.

For example, the state of the protection of secrets in the area of foreign economic activities has been analyzed, and a number of shortcomings have been detected. We have come to the conclusion that it is necessary to more professionally and systematically assess materials which are used, or can be used to produce weapons or special equipment intended for export. Therefore, with the participation of state experts in issues concerning secrets, an all- embracing assessment of the aforementioned materials, technologies, and products has been carried out to determine whether they contain information representing state secrets or not. Last year alone, 180 such assessments were conducted by experts. We thus made it possible to conduct foreign economic operations without running the risk that state secrets would escape to other countries. In certain cases, unsanctioned transfers of information, technologies, and products containing Ukraine's secret to foreign countries were prevented. We prevented the escape of secrets, and our close cooperation with a government commission for experts' control and the fact that our representative participates in its work contribute to the prevention of illegal attempts to transfer classified materials, products, and technologies abroad.

In the system of protecting secrets, an important place is reserved for secrets protection bodies. Unfortunately, during the first years of our state's establishment, when an atmosphere of excessive freedom and "full openness" prevailed among some managers at various levels, there was the opinion that Ukraine did not have its own secrets. The role of these bodies was downgraded, and many of them were reduced or liquidated completely. And only owing to the persistence of our committee and with support from the Ukrainian Government was it possible to remove these distortions. In areas in which this was necessary, secrets protection bodies have been put back into operation, and new subunits protecting secrets have been set up and their status elevated. It has also been possible to overcome nihilism with regard to the protection of secrets, and the responsibility of all managers has been increased.

One of the main tasks which the committee and authorized regional bodies are currently performing is to verify the required conditions for operations with state secrets and to issue licenses (permissions) to conduct activities connected with state secrets to companies, institutions, and organizations. This work is primarily aimed at removing shortcomings and creating conditions which would guarantee the reliable protection of secrets. As of today, most companies, institutions, and organizations operating with state secrets have received such permissions. This work will be completed this year, and one approach to the conditions which make it possible to operate with state secrets will be ensured.

Permanent attention is being attached to state control over the state of the protection of secrets at facilities at which state secrets are concentrated. This function is being performed by a special control and inspection subunit of the committee. The main goal of its activities is not just to detect shortcomings, but primarily to participate in their removal as well as the development and implementation of measures aimed at the reliable protection of state secrets. Owing to the efforts of the subunit employees it has been possible to reveal and take under control channels of a possible unsanctioned escape of vital information concerning defense, science, the economy, etc., abroad.

What has been mentioned above is just a part of this laborious work, which is being done by a relatively small staff of the committee and authorized regional bodies.

We believe that our work represents certain contributions in the common cause of building an independent state and ensuring its defense and national security. At the same time, we understand that far from all problems have been resolved. They have emerged, and will emerge as society develops, and this will require that we improve the system of secret protection and search for new methods of resolving them.

It is worrying that the current methods do not always reach the main goal — to create an atmosphere of the high responsibility of everybody who bears relation to

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a state secret for protecting it and unconditionally implementing the requirements of legislation in this area. There are separate attempts to sell scientific achievements, products, and information representing a state secret to foreign partners. We are observing cases of treating regulations concerning secrets in a simplified manner during visits to secret facilities by representatives of foreign institutions, firms, and organizations. The issue of training experts working in the area of secrets protection has not been finally resolved.

Life goes on. The current social changes, the development of international relations, economic transformations, and privatization require that the normative basis be improved and strengthened in accordance with the system of secrets protection. We are trying to meet the current requirements. The Law "On Changes and Amendments to the Ukrainian Law 'On State Secrets'" has already been drafted. It is expected that certain problems which are not precisely adjusted by the current legislation will be regulated.

Practice shows that despite the fact that a number of legislative acts have been drafted and implemented, it is advisable to have instructions which would become the only document regulating the entire spectrum of legal relations in the area of the protection of state secrets in Ukraine. Experts from our committee are already working on this complex and voluminous document.

The question as to whether it is beneficial and necessary for the state to have such a system is sometimes raised.

There can only be one answer: Every state can be considered independent if it is able to protect its secrets. This not only refers to the prevention of material losses, which a society may sustain as a result of a loss of secrets, but also to the political interests of our country as well as its prestige in the international arena, defense, and national security.

Ukraine: Official on Financing Crimean Tatars' Return

WS0608135096 Simferopol GOLOS KRYMA in Russian 26 Jul 96 p 2

[Interview with Crimean Deputy Prime Minister Ilmi Umerov by F. Tarsynova; place and date not given: "Will There Be Money for the Program for Return and Settlement of Deported People?"]

[FBIS Translated Text] On 18-19 July, Ilmi Umerov, deputy prime minister of the Autonomous Republic of Crimea, met in Kiev with Vasyl Durdynets, Ukrainian first deputy prime minister; I. Kuras, Ukrainian deputy prime minister; N. Kosovytskyy, Ukrainian finance minister [title as published], V. Yevtukhov, minister for issues of nationalities and migration; and V. Budkevych, Ukrainian Supreme Council permanent commission chairman, to resolve issues concerning the financing of the Program for the Return and Settlement of Deported Citizens. Follows the results of these meetings in our conversation with Deputy Prime Minister Ilmi Umerov:

[Tarsynova] What was the reason for this trip?

[Umerov] Everyone knows that the Ukrainian Supreme Council has passed the Ukrainian Constitution, articles of which mention indigenous peoples. We repeatedly addressed the issue of a status of the Crimean Tatar people and the Majlis [National Assembly] to the Ukrainian Cabinet of Ministers. Although a presidential edict granting such a status had been drafted, we were told at the Ministry of Justice that a presidential edict cannot be legally binding, and that a law on a status of the Majlis and the Crimean Tatar people — as Crimea's indigenous people — should be passed.

I met with V. Budkevych, Ukrainian Supreme Council Permanent Commission for Human Rights chairman. It was noted that either there was no willingness to tackle the issues, or there was nobody to do so.

[Tarsynova] Do you not think that someone is purposefully delaying the resolution of these issues?

[Umerov] Yes, I do. Our problems are supervised by a man who is not interested in resolving them. Kyyashko, deputy chairman of this [human rights] commission, who is supervising issues of deported people, is a member of the Socialist Party. I think that it is no accident that a number of documents sent by the Kurultay faction and the Crimean Tatar People's Majlis are being kept in a safe, or perhaps they are even ending up in archives. At least, not a single document — be it a document concerning citizenship, privatization, or adequate representation in the legislative and executive authorities — has been submitted to the Ukrainian Supreme Council on behalf of this commission. V. Budkevych and I agreed that the issue of replacing the deputy supervising our problems will be raised in September, at the beginning of another parliamentary session.

[Tarsynova] What else did you discuss?

[Umerov] I tried to resolve the issue of financing the Program for the Return and Settlement of Deported Citizens. I met with Vasyl Durdynets. He confirmed his understanding and the importance of this problem, and promised all kinds of assistance. He also complained about the situation in Donetsk, where the oblast administration chief had been dismissed, and went to Donetsk immediately after our conversation.

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[Tarsynova] How, in your opinion, can one explain the fact that the financing of the program is being ignored?

[Umerov] The Ukrainian budget was passed at the end of 1995. The draft budget envisioned 2.8 trillion karbovantsi [K] for the program. Although the sum was approved in the first reading, the final version for some reason did not include the pertinent paragraph. We were not informed about this. We were in Kiev at that time. Durdynets, [Majlis Chairman] Dzhemilev, and [Crimean Prime Minister] Demydenko flew to Geneva, and I had a meeting with them after their return. At that time, I did not even suspect that this paragraph had been removed. And only after the publication of the Ukrainian budget in newspapers did I discover that it did not include our program. I began calling to Kiev, and everyone was surprised there. So now it proves that the Ukrainian Finance Ministry has no grounds to finance the Program for the Return and Settlement of Deported Citizens.

[Tarsynova] Perhaps this was again a result of someone's intrigues?

[Umerov] We conducted our own investigation, so to speak, and ascertained that [former Crimean Prime Minister] Franchuk — without my knowledge, although it is me who supervises the program — had sent a letter to the Ukrainian Finance Ministry with a request to transfer the financing of deported people from the Ukrainian budget to the Crimean one. One can only guess whether this was revenge for the fact that the Kurultay faction had voted for his dismissal, but these events followed one another.

[Tarsynova] You certainly did not sit by idly.

[Umerov] Naturally, we again began traveling, calling, holding meetings, and trying to have it our way. Although [former] Prime Minister Ye. Marchuk signed a resolution on earmarking money from the federal budget on 16 May, new Prime Minister P. Lazarenko was appointed soon after this, and he took a tough stance. And this was justified, because he personally distributes money, and only the most essential things such as wages, pensions, grants, and benefits are being financed. In our country, state capital investments are not a priority, and the paragraph concerning them comes 10th in the budget.

To be fair, our Crimean leaders, including Prime Minister A. Demydenko and Parliament Speaker Ye. Suprunyuk, paid great attention to this issue, and raised it at all levels.

Then on Friday, 19 July, a plan for the financing was approved, which says that the Ministry of Finance is obliged to provide the rest of the sum by the end of this year, which will amount to K481 billion monthly.

[Tarsynova] Can one hope that we will receive this money?

[Umerov] I met with Ukrainian Finance Minister N. Kosovytskyy. He did not receive me in a very affectionate manner. I explained him the problem of deported people, told about the situation of returning people, and provided all figures, and I think that we parted having understood one another.

Nevertheless, I am not particularly optimistic with regard to this issue.

There is the plan and the prime minister's instructions, and he will implement it according to possibilities. To confirm this, K60 billion is to arrive in Crimea. However, I think that to finance us in K60-billion installments does not mean to help but harm us. This is enough to stir rumors that money has arrived, but it is too little to actually resolve any problem. We currently need K130-150 billion weekly, and even with this money we will not resolve all problems. We will only be able to finance such a priority area as facilities supplying microrayons with water and electricity. Some of this money (10 percent) will be spent for purchases of houses, and there will be too little for the rest.

Without boasting, however, I want to say that much has been done, and if we remain united, as has recently been the case with regard to the Kurultay's work, our unity will help us overcome all difficulties.

Economic Issues

Ukraine: Official Chairs Conference on Privatization Progress

WS0608145296 Kiev MOLOD UKRAYINY in Ukrainian 2 Aug 96 p 1

[Report by Yuriy Dariy: "Two Out of Four Swimmers Have Completed the Lap"]

[FBIS Translated Text] Two out of four swimmers have completed the lap;- precisely this kind of "Olympic" comparison was used by Presidential Administration Head Dmytro Tabachnyk at a regular session of the Ukrainian Press Club of Market Reform in Kiev. However, he did not mean Atlanta, where Olympic passions are currently raging. Perhaps, it was a hint at Ukrainian Press Club Head Ihor Zaseda, former renowned Ukrainian swimmer and medalist at one of the Olympic Games. The topic of the session was of a more official nature — "The Passing of Ukraine's Constitution and Prospects of Further Development of the Privatization Processes in the State." According to Dmytro Tabachnyk, the comparison meant: We have moved along the privatization path far enough to be able to discuss certain accomplishments and to reliably

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forecast the final results. Figures indicate the real situation: As of 1 July, approximately 33,000 objects of small privatization were privatized in Ukraine. Some 24,000 of them were privatized in 1996 alone. Currently, the "main administrator of the country" says that we can say that we have actually completed the process of small privatization. More good news is that this process has gone beyond the limits of large cities and is going in "the provinces," dragging new owners into its orbit. Dmytro Tabachnyk says that this is a sign of a new quality. A sufficient critical mass of enterprises submitted to privatization has been created. These enterprises operate under competitive conditions and thus develop the trade and service sectors of the economy.

Big privatization has evoked a certain concern, because its pace has been somewhat hampered due to objective and subjective reasons. This fact has been noticed not only by us. Foreign countries, as well, have noticed this and do not hurry to invest in Ukraine. Currently, according to the Ministry of Economy's estimates, direct foreign investments have reached the level of $1 billion. This result is good, but not sufficient. Dmytro Tabachnyk believes that the situation will improve. He links his optimism to the passing of the new Constitution, where the parity of various forms of ownership has been legally secured. If we once again recall the figures, as of today out of 8,000 enterprises which are submitted to privatization, 66 percent have been already privatized, and 2,100 of them have been fully privatized. We are also checking the list of those state enterprises which were not earmarked for privatization. According to the Presidential Administration head, this list is getting "shorter."

The certification process which has been launched in the entire Ukraine indicates the scale of the privatization process. As of 15 July, 39.4 millions of citizens (or 77 percent) have either received treasury privatization certificates or opened privatization accounts. Experts believe that by 1 October — and as we know the issuance of certificates has been prolonged until that date — 85 to 90 percent of the population will receive the certificates. Journalists were interested whether Dmytro Tabachnyk himself participates in the privatization processes. Yes, his family has already received certificates. However, so far they have not decided yet where to locate them — although he knows that many officials of the state apparatus have already resolved this problem.

Dmytro Tabachnyk also informed journalists about something that concerns all of us — the changes in the state's tax policy. The Presidential Administration head did not dwell on details, but added: "When the document is signed, you will see for yourselves." Although he pointed out: "The changes will not worsen the situation." Well, let us wait with our conclusions.

Ukraine: Performance of Kharkov Industry, Agriculture Viewed

WS0608142396 Kharkov VREMYA in Russian 27 Jul 96 p 1

[Report by A. Kletsov: "Those Who Work Well Will Receive Assistance"]

[FBIS Translated Text] **During the first six months of 1996, over 300 Kharkov Oblast enterprises registered a decrease in their industrial output: the production of consumer goods decreased by 10 percent and the production of non-foodstuffs decreased by 22 percent compared with a similar period last year.**

"Almost all sectors registered a drop in production," stressed Oleh Dyomin, acting head of the Kharkov Oblast State Administration, at a meeting with chiefs of city and rayon administrations. "But it affected most the production of construction materials and our light industry. This drop in production took place despite the fact that the majority of these enterprises changed their form of ownership and some of them had even been purchased by their labor collectives."

Due to inconsistent industrial performance, it is natural that taxes were transferred to the city budget irregularly. As a result, the oblast budget failed to receive over 5 trillion karbovantsi [K]. Kharkov, Lozova, and Valky have amassed the biggest debts.... The Shebelynka Gas Industry Enterprise, a champagne producing factory, the "Kharkovtelekom," and others are also among debtors. In turn, all this affects salaries of physicians, teachers, and other budgetary sphere workers who have not received their salaries for two or more months. Total debts to them stand at some K4 trillion. If one also includes labor collectives of industrial enterprises in this category, total debts to the budgetary sector employees amount to almost K30 trillion.

I. Kolot, head of the Kharkov Economics and Market Administration, said that despite the continuing drop in production, one-third of enterprises have increased their output. The performance of enterprises of the Kominternovsky, Ordzhonikidzevsky, Velykoburlukskiy, Shevchenkivsky, Krasnokutsky, and some other oblast rayons has improved. Over a six-month period, Kharkov Oblast factories put into production some 290 new products and implemented over 50 modern production processes, 16 of which conserve resources. Products worth $146 million were exported to states abroad.

The agricultural sector presents a gloomy picture. During the first six months, the sales of meat by oblast enterprises decreased by 28 percent, the sales of milk went down by 33 percent, and the sales of eggs decreased by 40 percent. The number of livestock dropped by 14 percent. But the most tragic fact is that the majority of regional enterprises cannot stand on their own feet. Therefore, a primary issue is what should one do

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with them. It seems that no one — either in Kharkov Oblast or in Kharkov itself — can provide a precise answer to this question. But, judging from everything, future financial support will be rendered to only those who work well.

Given the current conditions, it is clear that the oblast state administration cannot mend all the holes in our economy simultaneously. First of all, it is necessary to render urgent support to the power industry. Without exaggeration, this sector has practically collapsed. Energy production decreased by 18 percent over the six months. It is difficult to recall something of the kind. Therefore, a task was set to find the means to purchase fuel for the state regional electric power station in Zmiyivka. In addition, the oblast state administration will supervise the construction of a factory to produce high-octane gasoline in Shebelynka, the development of gas condensate deposits, and the construction of new subway stations. O. Dyomin proposed that the bankers who participated in the meeting cooperate and invest in these projects.

Deputy Prime Minister V. M. Zubets also took part in the meeting.

Ukraine: Impending Grain Harvest Expectations Viewed

964K0162C Kiev URYADOVYY KURYER in Ukrainian 18 Jun 96 p 10

[Article by A. Shevchenko, Academician of the AIN [expansion not given] of Ukraine, director of the Ahroresursy Ukrainian Scientific-Research and Design Engineering Institute [UkrNDPTI], under the rubric "The Village and the People": "Bread—96"]

[FBIS Translated Text] **This year's grain production in Ukraine is entering a critical stage. Earlier vegetative conditions in the grain fields have already largely determined the quantitative and qualitative indicators of the grain and pulse crop harvests. These indicators are not comforting, and they reflect the general crisis in agricultural production as manifested in the extremely poor use of the complex agrometeorological resources of this year's harvest and in the massive failure to comply with agricultural techniques and technologies.**

Only 47 percent of the winter crop fields were sown in the fall in accordance with the optimum timetable. The problems of this spring did not do significant damage to these sown areas, and they are capable of producing a good grain harvest. However, the majority of fields of the principal grain crop — winter wheat — were sown late and on an unacceptable schedule. These crops entered the winter season in a weak state and suffered significant damage from the spring heat. A portion of these crops has been lost. The rest (even if there are favorable conditions for subsequent vegetation) will not produce even an average harvest. The situation with respect to the sowing of spring crops is even worse. In this year's conditions, such crops as spring barley, oats, and peas should have been sown over a period of three to five days. Only 20 percent of the fields of spring barley and 9 percent of those under peas were sown on schedule (by 24 April), while one-third of the fields were sown up to 25 and more days late. Virtually no mineral fertilizers were applied in the case of grain crops. Almost nowhere are measures being taken to eradicate crop pests and diseases, whose damaging action has grown in this year's conditions. All these factors have led to irreversible processes in the formation of the current harvest. Stand density and height are not reaching their biological dimensions; the length of the ears and the number of ears are below normal; crop mass and the leaf surface area are below optimum indicators. The areas under certain crops have been reduced.

In terms of meteorological conditions of the preceding vegetative period, the current year resembles 1985. However, this year's gross yield of grain under moderate subsequent vegetative conditions is expected to be 10-15 percent lower than in 1985. That is because the sown areas are smaller and their productivity is lower. An important aspect of the harvest and its quality will be formed during the subsequent vegetative period — the number of kernels per ear and the specific weight of the kernels. According to the long-range synoptic forecast, this period will have moderate heat and weather conditions and will ensure average parameters of the indicated elements of crop productivity. This allows us to estimate the potential productivity of Ukraine's grain fields with some reliability.

It is estimated that the average harvest of grain and pulse crops in Ukraine as a whole will be between 21 and 23 quintals per hectare, or 1-2 quintals per hectare less than last year, which was a low-yield year, and some 4-6 quintals per hectare below the average annual indicators in the preceding five-year period. The harvesting area in all categories of enterprises will decrease by 1.0-1.5 million hectares as against preceding years. The gross yield of grain crops, excluding corn, is expected to amount to 26.0-28.5 million metric tons, which will be 2.0-3.0 million metric tons less than in 1995, the year with the worst harvest. In recent years, it has become customary to regard the gross yields of early grain crops in the range of 35-40 million metric tons as the average indicator of grain output, yields of more than 40 million metric tons as a high indicator, and those below 30 million metric tons as a low indicator. In the last 30 years, grain field productivity below 30 million metric tons occurred only twice — in 1975 (29.7) and 1983 (28.8). Thus, we are gradually approaching the grain productivity level of the 60s, when average annual output amounted to 26 million metric tons. These estimates were calculated on the basis of a synoptic weather forecast, which predicts (with 70 percent probability) that heat and weather conditions

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in June will be close to normal. It is possible (20 percent probability) that weather conditions during the final stages of the vegetative period will be harsher than normal. If that happens, grain field productivity will be even lower — 18-20 quintals per hectare. A higher grain yield than last year's will be ensured only if conditions in June and July are favorable (10 percent probability) — that is, yields of 25-26 quintals per hectare and a gross grain yield of 31.0-32.0 million metric tons.

The gross yield of winter wheat is expected to be somewhat higher than last year — 17.5-18.9 million metric tons, an important fact for Ukraine given the anticipated situation on the world wheat market in the current and subsequent years. Annual wheat production in the world during the last five years has fluctuated between 524 and 563 million metric tons. Ukraine steadily ranks sixth among the principal wheat-producing countries. The leading exporters are the U.S., Canada, and Australia: they account for more than 70 percent of the wheat market. The leading importers are China, Russia, Brazil, Egypt, Japan, Uzbekistan. Wheat for use as human food is also bought by Belarus, the Baltic states, the eastern European countries, Pakistan, etc.

Weather conditions this past winter and spring in the northern hemisphere were not favorable for winter wheat. Consequently, a substantial decrease in the output of this crop is expected in 1996. This will lead to increased demand for wheat on the world market and an inability by the leading exporters to meet the demand. By April, the price of wheat on the Chicago and London exchanges reached $260 per metric ton, which is double the cost of one metric ton of fuel.

In these conditions, Ukraine has a real opportunity to confidently enter the world market and already this year put up 5-6 million metric tons of wheat for use as human food for export. Potential buyers could include, in addition to the CIS countries and the Baltic states, the countries of eastern Europe, Egypt, Pakistan, as well as China and Japan. It will be possible to take advantage of this opportunity for the benefit of Ukrainian producers only if we obtain high-quality food grain. That is one of the most important and difficult tasks faced by farmers in the final phase of forming the harvest. Weather conditions have caused an unprecedented outburst of crop pests and diseases, especially those affecting winter wheat. Almost everywhere, their number exceeds acceptable levels of damage 5-7-fold and can result in the loss of 30 percent of the potential harvest, leaving the remaining harvested grain suitable only for forage.

The fact that agricultural producers have limited financial and material-technical means is well known. However, despite that, it is essential to find all available reserves and resources and immediately apply certain agrotechnical measures to save the harvest and improve its quality. The value of the saved harvest will exceed 10-15-fold the costs of applying phytosanitary measures. We must also give up the notion of using wheat for fodder. It is better to purchase fodder grain. This will prove 1.5-2.0-fold cheaper, while the level of effectiveness will be 50 percent higher.

World Wheat Production and Markets, 1991-1995

Countries	Average Annual Production (million metric tons)			
	Production	Consumption	Export	Import
World total	524-562	550-562	96-111	96-111
China	96-106	109-113	—	4-16
India	55-65	56-61	—	—
U.S.	54-65	31-35	33-37	1-3
Russia	30-46	40-57	18-24	—
Canada	23-32	8-9	18-24	—
Ukraine	14-22	16-20	1-2	1
Turkey	15-16	—	—	—
Australia	9-17	3-4	8-13	—
Kazakhstan	6-18	6-7	1-6	—
Western Europe	26-38	32-36	1-5	1-3

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Probable Forecast of Harvests and Gross Yields of Grain and Pulse Crops (Excluding Corn) in All Categories of Farms of Ukraine in 1996 (prepared 25 May 1996)

Crops	Harvesting Area	First Weather Variant		Second Weather Variant		Third Weather Variant	
		70 percent probability		20 percent probability		10 percent probability	
	million hectares	harvest	gross yield	harvest	gross yield	harvest	gross yield
		quintals per hectare	million metric tons	quintals per hectare	million metric tons	quintals per hectare	million metric tons
Total grain and pulse crops (excluding corn)	12.4	21-23	26.0-28.5	18-20	22.3-24.8	25-26	31.0-32.0
including:							
winter grain crops	6.4	27-29	17.5-18.9	24-26	15.5-16.9	30-32	19.2-20.4
of which:							
winter wheat	5.8	28-30	16.2-17.4	25-27	14.5-15.7	32-34	18.6-19.7
spring barley	3.1	18-20	5.6-6.2	15-17	4.6-5.2	22-24	6.8-7.4
pulses	0.8	15-17	1.2-1.4	11-13	0.9-1.0	19-21	1.5-1.7

Note: June weather variations. Divergence from average annual indicators		Reference:	1995
First variant — temperature +/-1 degree C, precipitation +/-20%			Area — 12.7 million hectares
Second variant — temperature +2-4 degrees C, precipitation — 30-40%			yield — 24.1 quintals per hectare
Third variant — temperature -2-3 degrees C, precipitation +30-50%			gross — 30.7 [quintals per hectare]

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Belarus

Belarus: Lukashenka Interviewed on Relations With Supreme Soviet

WS0708072096 Minsk BELAPAN in English 0650 GMT 7 Aug 96

[FBIS Transcribed Text] Minsk, 6 August — Commenting on the activities of the 13th Supreme Soviet in an interview given to the newspaper "NARODNAYA GAZETA," President Alyaksandr Lukashenka said that "there were few positive aspects.... During this period, the Supreme Soviet did not make serious, fundamental legislative decisions.... Speculating on some economic difficulties in the Republic, the deputies started to make repeated attempts to artificially step up passions in the parliament to mold the public opinion that the situation in the country is extremely critical.... In the course of parliamentary discussions the idea of softening the forms and methods of the exercising of presidential power and giving preference to the establishment of a parliamentary republic became more and more sharply defined." According to the president, the Supreme Soviet "has lost all decency and propriety owing to the predominance of political ambitions, ... and is becoming an appreciable impediment to lawmaking, which provides a legal basis for the ensuring of the implementation of economic reform." Mr. Lukashenka also said that a tendency towards parliament's interference in the affairs of the executive power becomes apparent more and more often. In Mr. Lukashenka's opinion, the Supreme Soviet is "politicized, mixed in views and moods and does not have a vivid center." The president dwelt on the strengthening of the communist parliamentary faction. According to him, this faction "has mutually beneficial agreements with the faction of agrarians... and is capable of implementing non-democratic tendencies in society, which is extremely dangerous, as well as anti-market tendencies in the economy, which cannot be tolerated." The president asked the MPs who combine parliamentary activities with service in the system of executive power or in organizations connected one way or another with this power, including collective farms, state farms, and law enforcement bodies of all levels, to decide in the near future whether they should be in reality, not in words, among those who carry out the president's sociopolitical and economic policies which were approved in the elections and the referendum or be entirely engaged in parliamentary activities in factions... vacating their posts in their present places of employment which are not related to purely production activities.

Belarus: Oppositionists Anticipate Lukashenka Emergency Moves

WS0608134196 Minsk SVABODA in Belarusian 2 Aug 96 p 2

[Article by Vital Tsygankow: "He Did Not Understand Anything..."]

[FBIS Translated Text] The new "historic" declarations by Alyaksandr Lukashenka made during the televised "harvest fight" [reference to Lukashenka's meeting with the country's leadership on agricultural issues] were, in fact, the president's reply to the proposal by the leaders of seven parties to hold "roundtable" talks. But the president perhaps dreams of meeting with his political opponents in a different month, because for someone who considers himself the smartest man it is an unbearable punishment to listen to someone else.

It should be said that the president's words about "emergency management" and a ban on demonstrations and rallies are different from Lukashenka's usual rhetorical exercises. This time, they convey a pretty concrete meaning and prompt serious thought about the possible consequences of introducing elements of a state of emergency state in Belarus.

Yuryy Khadyka, deputy chairman of the Belarusian Popular Front [BNF], did not rule out that Lukashenka may issue an edict curtailing human rights. "Obviously, the president is nervous. I think that such an edict would not operate for more than a month, because in early September the Supreme Soviet is going to convene for a session and, to all appearances, rescind any 'emergency' [edicts]," Khadyka says.

The BNF deputy chief expects that the international community would react to Lukashenka's possible edict in a moderate way, but only because in most Western democracies August is a month of political hiatus. A serious and strong protest will probably come in early September, thus consolidating the domestic and foreign opposition to Lukashenka's moves.

Alyaksandr Dabravolski, legislative deputy and United Civil Party activist, also has no illusions about the president's intentions: "It is very probable that the planned edict will contain what Lukashenka spoke about — a ban on rallies, processions, and demonstrations. In this case, it would be another violation of the Constitution which gives Belarusian citizens the right to have their own convictions. Undoubtedly, such an edict would be examined by the Constitutional Court."

Alyaksandr Dabravolski acknowledges the possibility of the Supreme Soviet calling an emergency session in case the president grossly violates the Constitution.

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In his opinion, the president and his advisers will not go as far as to declare a state of emergency de jure; it can be installed de facto, but under a different name. "The president fears that people will tolerate no more violations of the law and the Constitution. His reaction shows that he did not understand anything and still thinks he can continue to ignore public opinion," the deputy said.

Meanwhile, the declaration by the "seven" is beginning to assume a tangible form. An organization committee has already been set up to prepare the "roundtable" [talks], and it recently held its first meeting. A pretty neutral figure acceptable to everyone, Valyantsina Svyatskaya, secretary of the Agrarian Party Council, was elected the committee chairman. The organizers are planning to invite the president, the head of its administration, the prime minister, Supreme Soviet deputy speakers, the Constitutional Court chairmen, the leadership of trade unions ("official" and independent), and industrialists. Of 36 Belarusian political parties, representatives of 14 parties which have members in parliament will most probably be invited for the roundtable meeting, as well as members of the "great seven" (the BNF and the Women's Party "Hope") which so far stay out of parliament.

Belarus: Security Secretary Begins Working Visit to Moscow

WS0608122896 Minsk Radio Minsk Network in Belarusian 1000 GMT 6 Aug 96

[FBIS Translated Text] According to a report by the Belarusian Security Council's Information Service, Belarusian State Security Secretary Viktar Sheyman began his working visit to the Russian Federation today. According to a previous agreement, during this visit, he will hold a working meeting with Russian Security Council Secretary Aleksandr Lebed, the Russian president's aide for national security. The issues to be discussed include a wide variety of problems pertaining to ensuring guarantees for Belarusian and Russian national security, particularly interaction and cooperation of Belarusian and Russian state bodies in the area of security based on the agreement on the establishment of the Community of Sovereign Republics. The Belarusian state security secretary will also meet with Russian Defense Minister Rodionov; Kovalev, director of the Russian Federal Security Service; and Starovoytova, general director of the Federal Agency of Government Communication and Information reporting to the Russian president. Viktar Sheyman's working visit will last until 8 August.

Moldova

Moldova: PDAM Rejects Corruption Accusations Against Sangheli

AU0708080296 Chisinau BASAPRESS in English 2054 GMT 6 Aug 96

[FBIS Transcribed Text] Chisinau 6/8/1996 (BASApress) — The PDAM [Democratic Agrarian Party of Moldova] Executive Committee demanded that the Moldovan General Prosecutor's Office should open a penal file on defamation in connection with media reports about Premier Andrei Sangheli.

According to these reports disseminated by the Bucharest press and reprinted by Chisinau media, Sangheli was to be investigated by Russia's Prosecutor's Office in an affair of shadow deals which had brought damage to Russia.

According to a release from the PDAM, the PDAM Executive Committee views these reports as "nothing more than a calumny in written form, containing accusations of committal of an extremely serious crime by the PDAM member, Moldovan Prime Minister Andrei Sangheli, who was nominated for presidency at the third congress of the PDAM."

"Governmental officials think the false rumor was launched through Romanian media in connection with the presidential campaign which started in Moldova," according to the release.

The PDAM contacted the Moscow Prosecutor's Office and "an official representative of this institution said the prosecutor's office had not opened penal procedures that would involve the name of Andrei Sangheli."

The release quotes Colonel Mikhail Bergman, commander of the Tiraspol military garrison, who told PDAM representatives: "I have never said that the Moscow Prosecutor's Office would have started a penal action against Andrei Sangheli, whom I personally respect very much."

The government "ordered Moldovan ambassadors in Romania and Russia to trace the roots of these press 'reports'."

Moldova: Commentary Views Reasons for Snegur Opposition Support

AU0708082396 Chisinau BASAPRESS in English 2054 GMT 6 Aug 96

['Political commentary' by BASAPRESS]

[FBIS Transcribed Text] Chisinau 6/8/1996 (BASApress) — The presidential elections scheduled for

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the autumn of 1996 are a favorable opportunity to strengthen the political right wing in Moldova. The creation of the permanent political bloc called the Alliance of Democratic Forces (AFD,) its cooperation with the Christian-Democratic Popular Front of Moldova (FPCDM) on the Political Partnership Agreement and, finally, the decisions adopted by both political groups to support in elections the current President Mircea Snegur creates a quite different state of things. Especially against a background of the surprising dismemberment of the leftist forces, which in general was caused by divergence about a candidate in the future elections.

After five years of dismemberment, termed as "an accident," the opposition will start the electoral campaign being united and confident as never before. The only exception is the Party of Democratic Forces (PFD,) which, having its own candidate, considers that the current president did not give yet enough reasons to become the opposition's favorite.

The PFD thinks the involvement in the campaign on its own is more advantageous from the viewpoint of publicity of its own political speech in the next parliamentary polls. Earlier, PFD leaders repeatedly said that they are ready to support, at a certain crucial moment, the candidate who is closest to the non-socialists and non-communists in order to counter the forces which "aim to submit Moldova to foreign interests by including it in the CIS political-military structures."

Treated as a controversial person with relapses of inconsistency, Snegur has become the only candidate "with real chances" the opposition indeed may rely upon. And that is quite a lot, thinks the opposition, if taking into account the increasing danger that Moldova slips to a political, military, and economic dependence on the East.

The East is viewed, mostly, as Russia, where, in spite of the repeated victory by Yeltsin's reformers, the tendency to get as more as possible dependent and loyal allies still persists. Thus, Snegur has, as nobody else, all supporters behind him, and a yet unknown number of voters, who are impressed by his image.

The AFD and FPCDM will cooperate with Snegur in the elections on the basis of some principles, which will be agreed by all sides. The president will step side by side with his current allies in order not to admit Moldova's adherence to the CIS political-military structures, to urge the signing of the basic political treaty with Romania, to introduce modifications in the Constitution on its de-ideologization, to remove the energy dependence on the East, not to admit the federalization of Moldova, and speed up the withdrawal of the Russian troops.

Snegur, also, will have to make efforts "to integrate Moldova in the NATO structures" and "will support frankly the electoral bloc of the national and democratic forces in the next parliamentary polls."

Facing these objectives and the unification of the rightist forces around one candidate, the leftists will have urgently to overcome the divergence between them in order to avoid the danger of political exclusion. Moreover, the ruling party will be forced to give up its centrist appearance and join leftist coalitions.

Moldova: Communist Leader Favors Abolition of Presidency

AU0708075996 Chisinau BASAPRESS in English 2054 GMT 6 Aug 96

[FBIS Transcribed Text] Chisinau 6/8/1996 (BASApress) — Moldovan communists think the next president that will be elected in November-December must be the last one, Moldovan Communist Party (PCM) leader Vladimir Voronin stated to the official NEZAVISIMAYA MOLDOVA.

"We consider that as soon as he comes to power, he will have to announce anticipated parliamentary elections, and convened in their first session, the deputies will abolish the institution, visibly imposed on Moldova from outside," said Voronin.

"The claimant to the highest post in the country, who will receive our support in elections, by all means must become a 'father of the nation,' and not an executor of ideas promoted by a single political group. For these reasons, we do not insist that this person be a member of the PCM," he said.

Voronin also stated that the decision to support a candidate would be adopted by an PCM plenary meeting. He said this candidate could be either [Prime Minister] Andrei Sangheli or [parliament Speaker] Petru Lucinschi.

"However, unless something in the programs of our possible allies suits us, we are ready to put up a candidate from the Patriotic Popular Forces' Bloc," said Voronin.

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Tajikistan

Tajikistan: Russians Seek Talks With Tajiks, Afghans on Border Tension

LD0708071796 Moscow ITAR-TASS in English 0616 GMT 7 Aug 96

[By Andrey Galkin]

[FBIS Transcribed Text] MOSCOW, August 7 (Itar-Tass) — About 1,000 gunmen of the armed Tajik opposition approached the Tajik border from Afghanistan, bracing for a breakthrough, Colonel-General Aleksey Kozhevnikov, deputy director of the Russian Federal Border Service, told reporters here on Tuesday.

As a result of growing tension in that area, the Afghan ambassador in Moscow was summoned to the Russian Foreign Ministry on the same day where a representation was made to him concerning actions by the armed Tajik opposition in some areas of the Afghan-Tajik border.

The statement by the Russian Foreign Ministry says, inter alia: "The leadership of the Islamic Revival Movement of Tajikistan takes active measures to whip up tension at the Tajik-Afghan border.

"The situation in the Badakhshan direction of the border has sharply deteriorated over the past few days. The irreconcilable armed Tajik opposition in the Islamic State of Afghanistan, backed by some Afghan field commanders, local authorities of Afghan Badakhshan and some quarters in Kabul, started direct preparations for large-scale combat operations in Tajikistan.

"Large detachments of gunmen advanced from base concentration areas in the upper reaches of the Kufab Gorge. They are several kilometers away from the border.

"Taking into account the present developments, the Federal Border Service of the Russian Federation in cooperation with the Border Troops of the Tajik Republic, military contingents of Kazakhstan, Kyrgyzstan and Uzbekistan (participating in the protection of the border) and with support from collective peace keepers, takes measures to maintain law and order on the Tajik-Afghan border, to defend the interests of the Tajik Republic and member states of the Commonwealth of Independent States in compliance with political decisions in the framework of the commonwealth.

"Each attempt at breaking through the border to the territory of Tajikistan by the movement's armed detachments will be resolutely stopped. All responsibility for possible consequences of hostile actions at the border will rest with the leadership of the irreconcilable Tajik opposition and those who support these actions."

The Russian Foreign Ministry expressed confidence that the Afghan leadership will take measures to prevent the Tajik opposition from using the Afghan territory for illegal actions at the border.

The ministry deems it necessary to hold a meeting of Russian, Tajik and Afghan representatives in the interests of stability and peace to draft urgent measures of confidence and security.

Tajikistan: Russia Says Tajik Rebels Ready To Strike From Afghanistan

LD0608163796 Moscow INTERFAX in English 1614 GMT 6 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 6 (Interfax) — Up to 950 Tajik opposition rebels are prepared for an armed breakthrough into Tajikistan from Afghanistan, Col. Gen. Aleksey Kozhevnikov, deputy head of the Russian Federal Border Service, told a news conference in Moscow Tuesday.

He said three rebel units are concentrated 3-8 kilometers away from the Tajik-Afghan border in the direction of Vanch and Yazgulem. In all, up to 3,000 rebels are prepared for a breakthrough from Afghanistan to Gornyy Badakhshan. The rebels plan to break through to Garm and Tavildara in Tajikistan.

As a distracting maneuver, a group of up to 200 rebels intends to attempt a breakthrough at the Khorog part of the Tajik-Afghan border, said Kozhevnikov. In addition, according to the border guards, two large rebel units have been called off from near Tavildara to Vanch and Yazgulem to assist the breakthrough from the rear.

Anticipating possible large-scale combat activities, Russian border guards redeployed their forces so as to adequately react to rebel actions, he said.

The Afghan ambassador to Moscow was summoned Tuesday in connection with the sharp aggravation of the situation on the Tajik- Afghan border, said Kozhevnikov. The ambassador promised to communicate the statement made to him in the Russian Foreign Ministry to the Afghan leadership and assured that Kabul is interested in friendly relations with Russia and does not want complications because of the activities of a third side, he said.

Tajikistan: UN Envoy Hopeful Over Intra-Tajik Reconciliation

LD0608143296 Moscow ITAR-TASS in English 1349 GMT 6 Aug 96

[FBIS Transcribed Text] DUSHANBE, August 6 (Itar-Tass) - Two groups of U.N. military observers may

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come to the conflict-ridden Tavildara district of Tajikistan, the U.N. secretary's special envoy Dietrich Merrem told reporters on Tuesday.

He said the observers would try to disengage the warring opposition and government forces to open aid routes for residents of the Gorno-Badakhshan enclave of Tajikistan.

The cease-fire and prisoner exchange accords which had been signed in the fifth round of negotiations between the Tajik opposition and the government have shown some, if halting progress, Merrem said.

He tripped to the Karagetinskaya Valley last Sunday to hold talks with field commanders of Tajik rebels.

Merrem said one of the commanders voiced a readiness to meet local administrators to discuss a truce.

Merrem hopes the opposition and government troops would exchange prisoners by August 20, as envisioned by the Ashgabat accords.

Technical aspects of the exchange remained to be settled in consultations between the conflicting parties and the International Committee of the Red Cross.

As for when the intra-Tajik peace dialogue might be resumed, Merrem said he was going to negotiate with the Afghanistan-based Tajik opposition in a week and, returning to Dushanbe, to contact Tajik Foreign Minister Talbak Nazarov.

The parties should remember their responsibility for the fates of their country, Merrem said.

Meanwhile, Tajikistan's Defence Minister Nikolay Shcherbatov sounded doubtful about the possibility of the U.N. messengers' persuading the rival parties into a cease-fire.

Their presence and observation alone can hardly result in the cease-fire, he said in an interview with Itar-Tass.

Deterring force is necessary to influence the events, Shchebatov said.

He said he had repeatedly raised the question of providing the CIS collective peacekeeping forces in Tajikistan with a mandate of international peace implementation forces.

The Tajik leadership appealed with this initiative to the United Nations.

Shcherbatov said a share of responsibility for continuing hostilities in Tajikistan lied with neighbouring states, from which the Tajik opposition draws arm supplies and volunteer force trained at bases.

Uzbekistan

Uzbekistan: Presidential Spokesman on U.S.-Uzbek Cooperation

LD0708102296 Moscow INTERFAX in English 0851 GMT 7 Aug 96

[FBIS Transcribed Text] President Bill Clinton in a letter to Uzbek leader Islam Karimov in the wake of the latter's recent visit to Washington has reaffirmed further cooperation between the United States and Uzbekistan, a presidential spokesman told INTERFAX in Tashkent.

The U.S. president spoke of being pleased over the talks with Karimov on some key issues of bilateral interest giving assurances of U.S. assistance to Tashkent in establishing closer cooperation with the West.

Karimov was on a five-day visit to Washington starting on June 23. He and Clinton two days later to discuss wider contacts in economic, political and security areas. The American leader said Washington was keen to see an independent and stable Central Asia.

Karimov also held talks with U.S. defense Secretary William Perry, with bilateral cooperation in the framework of the Partnership plan high on the agenda.

In a memorandum afterwards, the defense department indicated growing Washington-Tashkent cooperation and multilateral partnership on security issues. The memorandum hails the creation of a bilateral working group on military cooperation and establishment of partnership ties between National Guard of Louisiana and Uzbekistan's National Army.

It speaks of Washington's positive response to Tashkent's involvement in the Partnership plan and its efforts in forming a peacekeeping contingent together with Kazakhstan and Kyrgyzstan as well as its plans to hold regional military exercises next year in the spirit of the NATO-sponsored program.

Uzbek troops are expected to take part in military exercises starting at Camp Lejeune, N.C., United States, on August 12, a defense ministry representative said in Tashkent on Tuesday.

These come as part of the Partnership plan and are aimed at building greater confidence and understanding between countries involved.

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Uzbekistan: Karimov Urges UN To Ban Arm Exports to Afghanistan

LD0308085596 Moscow ITAR-TASS in English 0757 GMT 3 Aug 96

[By Anatoliy Petrov]

[FBIS Transcribed Text] UNITED NATIONS, August 3 (Itar-Tass) — Uzbek President Islam Karimov said in his letter to the U.N. Security Council that a general embargo on arm exports to Afghanistan need be introduced as an absolute prerequisite for ending its interior conflict.

Karimov called on the council's chairman to convene a meet for passing the embargo resolution, the draft of which had been submitted by delegations of Uzbekistan and Pakistan.

Preliminary consultations with Security Council member states and leaders of the European Union suggest that they would endorse the embargo, Karimov said in his letter.

He recalled his address to the 50th session of the U.N. General Assembly, in which he had motioned the embargo.

Karimov said the U.N. Security Council's decision to introduce it would materialise the will of the world community to stop the many-year war in Afghanistan.

"Regrettably, we have to state that the volume of arm exports to this country is not decreasing, but, on the contrary, is growing," Karimov's letter says.

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Azerbaijan

Azerbaijan: Interior Minister, Iranian Ambassador Discuss Cooperation

LD0608164496 Tehran IRNA in English 1126 GMT 6 Aug 96

[FBIS Transcribed Text] Baku, Aug. 6, IRNA — Azeri Interior Minister Ramil Usubov in a meeting with Iran's charge d'affairs to Baku Afshar Soleymani here Monday called outcome of his recent visit to Tehran as "very positive".

Usobov thanked Iranian officials for their hospitality and said the Iranian Interior Ministry has "valuable" experiences.

He said that among the favourable outcomes of his visit to Iran was the inking of memoranda of understanding on anti-narcotics campaign, prevention of contraband smuggling and exchange of information between the two countries.

Soleymani for his part, referring to a rise in visits exchanged by Iranian and Azeri officials, underlined the need for extensive cooperation between Iran and Azerbaijan in maintaining security on border areas. He appreciated the Azeri Foreign Ministry for paying attention to solving the problems faced with Iranian nationals residing in Azerbaijan.

Azerbaijan: 'Faction' of Azeri Deputies Formed in Iran's Parliament

NC0508124496 Baku TURAN in English 0838 GMT 5 Aug 96

[FBIS Transcribed Text] Baku /05.08.96/ Turan — "Communities adjusting the relations between the parliaments of Iran and Azerbaijan will be formed," TURAN correspondent was told by Ahad Kaza'i, a deputy of the Iranian Parliament from Ardabil city. He considers that will help strengthening of interparliamentary relations. He expressed a hope that the development of the parliamentary relations will positively affect the trade and economic relations of Azerbaijan with the Azeri provinces in Iran (Tabriz, Ardabil and Orumiyeh).

Ahad Kaza'i said that the visit of the speaker of the Milli Mejlis Rasul Guliyev to Iran is expected. He was invited by the head of the Iranian Parliament Nateq-Nuri. The terms of the visit are to be specified.

Responding the question on the structure of the Iranian parliament Kaza'i said that 43 deputies-Azeris from the Azeri provinces of Iran have been elected to the highest legislative body of Iran. Total number of parliamentarians, of Azeri origin, in Iran is a large, he said.

Kaza'i confirmed the fact of creation in the Iranian parliament of faction "Azeri." According to him, this faction unites the deputies from the Azeri provinces, however it has neither political nor national character.

The faction has been organised according to territorial principle in order to have better opportunity to resolve in the parliament the problems of the region, Kaza'i said.

* The other day official Tehran's newspaper "KEYHAN" published material in which creation of the faction "Azeri" was criticised.

Georgia

Georgia: U.S. Envoy Kerr Shows 'Understanding' for Abkhaz Stance

LD0708094096 Sukhumi Republic of Abkhazia Radio in Russian 0341 GMT 7 Aug 96

[FBIS Translated Text] A five-person U.S. delegation has arrived in Abkhazia on a two-day visit. The delegation is led by Larry Kerr, the U.S. deputy ambassador to Georgia [title as received]. On 6 August the delegation was received at the Foreign Ministry of the republic of Abkhazia. Minister Konstantin Ozgan spoke highly of the unbiased way in which Mr. Kerr supplied his government with information about the situation in Abkhazia. Mr. Kerr said that the main aim of the delegation's visit was to carry out a comprehensive assessment of problems in the region for a speedy settlement of the Georgian-Abkhaz conflict to the satisfaction of both sides.

In familiarizing delegation members with the history of this problem, Konstantin Ozgan noted that Abkhazia had never been part of Georgia and had only been forcefully incorporated into it in the years of the Stalin regime. Therefore, there was no point rebuking Abkhazia for violating Georgia's territorial integrity. He said that the main task of the talks was to settle legal relations between two separate and equal states. Mr. Kerr showed understanding for Abkhazia's position on this issue, noting, however, that it had to be tackled in the context of the complex realities of the modern world.

The meeting then continued behind closed doors.

The same day, the U.S. delegation met members of parliament of the republic of Abkhazia. Delegation members were welcomed by parliament speaker Sokrat Jinjolia. Mr. Kerr said that at his meetings with deputies during his previous visit to Abkhazia, he had received more information that was of use than in the years when he studied the situation from official Georgian sources. The discussion then dealt with human rights in Abkhazia and issues of interest to both sides.

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Georgia: Caucasian Integration Discussed With Azeri Delegation

AU0608125396 Tbilisi DRONI in Georgian 30 Jul-2 Aug 96 p 3

[Report by Eka Khoperia: "Will the Transcaucasus Agree to Deepen Integration?"]

[FBIS Translated Text] "Georgia and Azerbaijan are emerging together on the international arena," stated Zahid Karalov [name as transliterated], head of the Azerbaijan Mili-Mejlis [parliament] delegation, at a press conference held in the Georgian Parliament building to mark the visit to Tbilisi. He pointed out that these two Transcaucasian countries should integrate more closely in the near future. Special parliamentary groups have been created for this purpose that will draw up corresponding bills on customs and border issues, which will form the basis for greater integration between the two countries. As regards the third country in the Transcaucasus — Armenia — and whether it will join the process of deepening integration, Zahid Karalov said that this was a problem that could not be resolved so easily. Following a lengthy historical digression on Armenia's occupation of Azerbaijani territory, the Azerbaijani parliamentarian stated unequivocally that, if Armenia wanted to cooperate with Azerbaijan in the energy sphere, and correspondingly join the process of integration, it should agree to make certain concessions. It is probably clear what concessions are meant. To offset the critical remarks made by his Azerbaijani colleague toward Armenia, Zaza Kandelaki, Georgian parliament coordinator of interparliamentary relations, pointed out that the Armenian factor must be taken into account and it needed to be drawn into the processes of integration. We were interested in knowing exactly what kind of integration was meant and whether we would be dealing with a model similar to that of enhanced integration between Russia, Belarus, Kazakhstan, and Kyrgyzstan. Zaza Kandelaki stated that what was under discussion were only partnership relations and mutually advantageous integration. "It is possible and there are prospects that integration between Azerbaijan and Georgia could become a serious alternative to that integration that we have just mentioned." In Zaza Kandelaki's view, the precedent of such integration is more important for the modern world than relations built on military-political cooperation. As such, it is clear that the idea of deepening integration between the Transcaucasian countries has a fairly real basis despite the fact that it has not been determined yet whether Armenia will agree to the concessions that Azerbaijan wants and whether it will join that Transcaucasian model of "deepening integration."

Georgia: Radical Groups Accuse Shevardnadze of 'Genocide'

AU0708094196 Tbilisi TAVISUPALI SAKARTVELO in Georgian 30 Jul-5 Aug 96 p 1

["Statement for the Mass Media" from the Georgian Helsinki Union, National Front-Radical Union]

[FBIS Translated Text] A catastrophic political and social situation that threatens to completely destroy the Georgian state and the Georgian population has been artificially created in Georgia by the ruling occupation puppet regime with the aid of the Russian Army.

The legal bases underlying the existence of the state have been destroyed. As a result of deals concluded unlawfully with Russia, Georgia's state interests have been violated and the country has lost its independence. Georgia's territorial integrity has been violated and its historic territories — Shida Kartli and Abkhazia — have been sold in exchange for Shevardnadze retaining power. More than 300,000 Georgians have been expelled from their own land.

The country is ruled by a political regime whose entire policy is aimed at implementing punitive measures against the Georgian population. Hundreds of political prisoners, prisoners of conscience, and prisoners of war are locked up in Georgian prisons on trumped-up charges and against whom criminal proceedings have been illegally instigated; universally recognized international norms are being violated during the investigation of these cases and during court proceedings. Repression continues and it is encompassing increasingly broader segments of society.

As a result of a purposeful criminal socioeconomic policy, the overwhelming majority of Georgians have been brought to the verge of destitution; the country's vital resources, land, real estate, and wealth are being deliberately sold.

Corruption is rife in the higher echelons of power. The country has become overrun with mafia-terrorist clans and has become a transit route for drugs.

Based on the above, to secure the foundations of the existence of the Georgian state, save the country and its future, and protect its people from physical destruction and spiritual degeneration, it is necessary that:

1. Russia's army of occupation and its puppet commander in chief in Georgia — Shevardnadze — leave Georgian territory now.

2. Russia's puppets — E. Shevardnadze, V. Ardzinba [Abkhazian leader], and T. Kulumbegov [former chairman of South Ossetian Supreme Council] — be made

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to answer before an international court for the genocide of the Georgian population that was organized with the assistance of the Russian Army.

3. International organizations take immediate measures to have the illegal criminal proceedings and sentences against political prisoners, prisoners of conscience, and prisoners of war dropped.

The Georgian Helsinki Union,
National Front-Radical Union.

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Estonia

Estonia: UN Official Meets With Prime Minister, President

LD0608200696 Tallinn Radio Tallinn Network in Estonian 1700 GMT 6 Aug 96

[FBIS Translated Text] Today Prime Minister Tiit Vahi received Jacques Diouf, director general of the Food and Agriculture Organization (FAO) of the United Nations. At their meeting, Vahi reiterated Estonia's wish to run a FAO regional conference in Estonia in 1998. Jacques Diouf said Estonia had good preconditions for running the conference and consultations would continue.

A possible reduction of Estonia's FAO membership was dealt with at the meeting. In Estonia's view the methodology of calculating the membership is not quite right. An amendment can be made by the UN General Assembly.

On the global issues facing the countries of the world, one of the most serious ones, in Jacques Diouf's view, is improper use of forest, water, and food resources. Tiit Vahi and Jacques Diouf discussed Estonia's possibilities, including scientific research and advice, in helping third world countries to overcome food shortages. Tiit Vahi added that although the transformation period has not been easy for Estonian agriculture, Estonia is capable of resolving its agricultural problems and offers help to poorer countries as far as possible.

The president of the republic, Lennart Meri, received Jacques Diouf at Paslepa [Meri's summer house]. Their meeting discussed Estonia's participation in FAO work and future cooperation.

Estonia: European Affairs Minister Gives Reasons for Resignation

LD0608142496 Tallinn Radio Tallinn Network in Estonian 1200 GMT 6 Aug 96

[FBIS Translated Text] European Affairs Minister Endel Lippmaa has resigned. This was discussed at a government sitting today. Riina Eentalu reports from a news conference:

[Eentalu] The prime minister [Tiit Vahi], said that Lippmaa, the minister for European affairs, gave as a reason for his resignation that he was not satisfied with decisions of the government. Three decisions were brought up: Granting residence permits to retired Russian servicemen, liberal order for crossing the eastern Russian border, and the absence of customs tariffs and the monopolistic situation in the telecommunications industry.

Prime Minister Vahi commented on these points in detail:

[Begin Vahi recording] Minister Lippmaa noted that he did not agree with the decisions of the government in the following matters: First, in connection with granting residency permits to retired Russian servicemen.

As we recall, the granting of residence permits to retired servicemen follows from the July treaties with Russia, which were signed in July 1994 and ratified in December 1995. A special commission worked on considering all these applications. Currently there are about 4,000 retired servicemen about whom the final decision was not made by 12 July 1996. It was decided to give six more months to the commission to consider all these applications individually because, in principle, a negative response is planned for these applications. But before giving a negative response, these 4,000 applications should be individually considered and it has to be decided whether our response, a negative response, is in agreement with the clause in the July treaties, which stipulates that a negative response can be given if the staying of specific individuals constitutes a danger to the Republic of Estonia. These applications should be individually considered. This was one reason.

The second reason is that a simplified border crossing regime is still being applied. As we recall, it was the government led by Mart Laar who adopted the regulation on simplified border crossing. Currently, a new visa procedure is being prepared and the new procedure intends to put an end to letting people cross the border with school workbooks and other pieces of paper. It is intended that the border should be crossed only strictly according to visas, whereas local residents will receive multiple entry visas. The main principle is that the Estonian state will consider specific applications submitted by the Russian side and will decide whether they will receive a long-term, multiple entry visa. Similarly, when Estonia asks for visas for its local residents, it submits these proposals and lists to the Russian side and they would agree to give visas to the Estonian side. These issues can be resolved via bilateral talks and the Estonian side alone cannot resolve them. Currently this issue has not yet received a final solution.

The third problem, according to the letter from Lippmaa, is the issue relating to the monopoly in the telephone network and concerning the fact that agricultural customs tariffs have not been introduced.

I informed the government about the resignation. It is the duty of the prime minister to forward to the president a proposal to change the membership of the Cabinet, but I also informed other members of the government about this. We thanked Endel Lippmaa for his good work as a minister for European affairs and gave him flowers. Now, based on the Constitution and based on the law

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on the government, we will take the next steps. [end recording]

Estonia: Prime Minister Appoints New European Affairs Minister

WS0708081396 Tallinn BNS in English 1900 GMT 6 Aug 96

[FBIS Transcribed Text] Tallinn, Aug 6, BNS — Estonian Prime Minister Tiit Vahi Tuesday gave the president the name of Riivo Sinijarv (49) for appointment as the new European affairs minister without portfolio.

The former European affairs minister, Endel Lippmaa, announced his resignation at the Cabinet's session on Tuesday.

Riivo Sinijarv, a former foreign minister, at present heads the Eurointegration bureau.

By law President Lennart Meri must appoint Sinijarv as minister and relieve Endel Lippmaa of his ministerial post within three days.

Riivo Sinijarv was foreign minister in Tiit Vahi's Cabinet from spring to fall 1995. Before that he was Estonian ambassador to Great Britain since 1993.

In 1992 Sinijarv was deputy industry and energetics minister in Tiit Vahi's first Cabinet.

Sinijarv is a founding member of the Coalition Party.

By education he is chemical technology engineer. He is married with two children.

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